



FAYETTEVILLE FIRST
2016

COLLABORATE
INNOVATE
CREATE





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All photos courtesy of the *Fayetteville Flyer*.



INTRODUCTION

Fayetteville First, a strategic plan, was created to guide the economic development efforts of the city over the next five years. While the plan is full of supportive data and examples of best practices, Fayetteville First is grounded by the input of more than 1,500 stakeholders. The result of this engagement is the identification of five target business sectors, seven strategic focuses with related priorities and action items, as well as recommendations related to the economic development delivery system.

Why Fayetteville First? Fayetteville, the cultural epicenter of Northwest Arkansas, is first by a long list of attributes. Fayetteville is first geographically in the Northwest Arkansas region, first in population size and growth, first in innovation, first in startups and first in sustainability. Stakeholders solidified this moniker by describing Fayetteville as the “first” community that developed in Northwest Arkansas. Hence the name “Fayetteville First.”

With the presence of the University of Arkansas (U of A), Fayetteville, a “college town,” is also a major economic engine in the Northwest Arkansas region. Notwithstanding, Fayetteville is eclectic, and is often viewed by others in the state as rogue. But the very essence of this unique community characteristic will be the competitive advantage for its economic development future. Fayetteville must capitalize on its unique and progressive edge that comes from its eclectic citizens who represent a broad and diverse range of styles, tastes, and philosophies.

Fayetteville has created a longstanding foothold of fostering and developing arts and culture. The Walton Arts Center, undergoing a \$23 million expansion, is considered the premiere performing arts center in Arkansas.¹ Recognized in 2011 as one of the nation's 10 most promising emerging theaters, TheatreSquared is a year-round professional theatre, and it has announced a new \$25 million facility that will open in 2019.² Fayetteville is also considering establishing an Arts District. The city should continue to further enhance the arts and cultural environment as a key asset and quality of life amenity.

While continuing to create an environment that is perceived as business friendly and providing a pipeline of talent to maintain its legacy manufacturers and existing startup companies, Fayetteville must also attract and maintain companies in the corporate services, retail and specialized technologies sectors. Fayetteville should also remain centered and focused on critical economic development components such as supporting, attracting and retaining businesses and workforce talent.

That said, with the presence of the U of A and the lifestyle quality the city offers, Fayetteville should be a prime location for the millennial population, as well as the future Generation Z, and attracting and retaining that population must be a focus related to talent.

Fayetteville and innovation are synonymous. Home to a burgeoning startup community, the city was ranked as the third best place in the nation for startup businesses outside of Silicon Valley and New York in 2015, by Datafox. With other assets such as the Arkansas Research Technology Park (ARTP), entrepreneurial support provided through firms such as Startup Junkie and Hayseed Ventures, and the

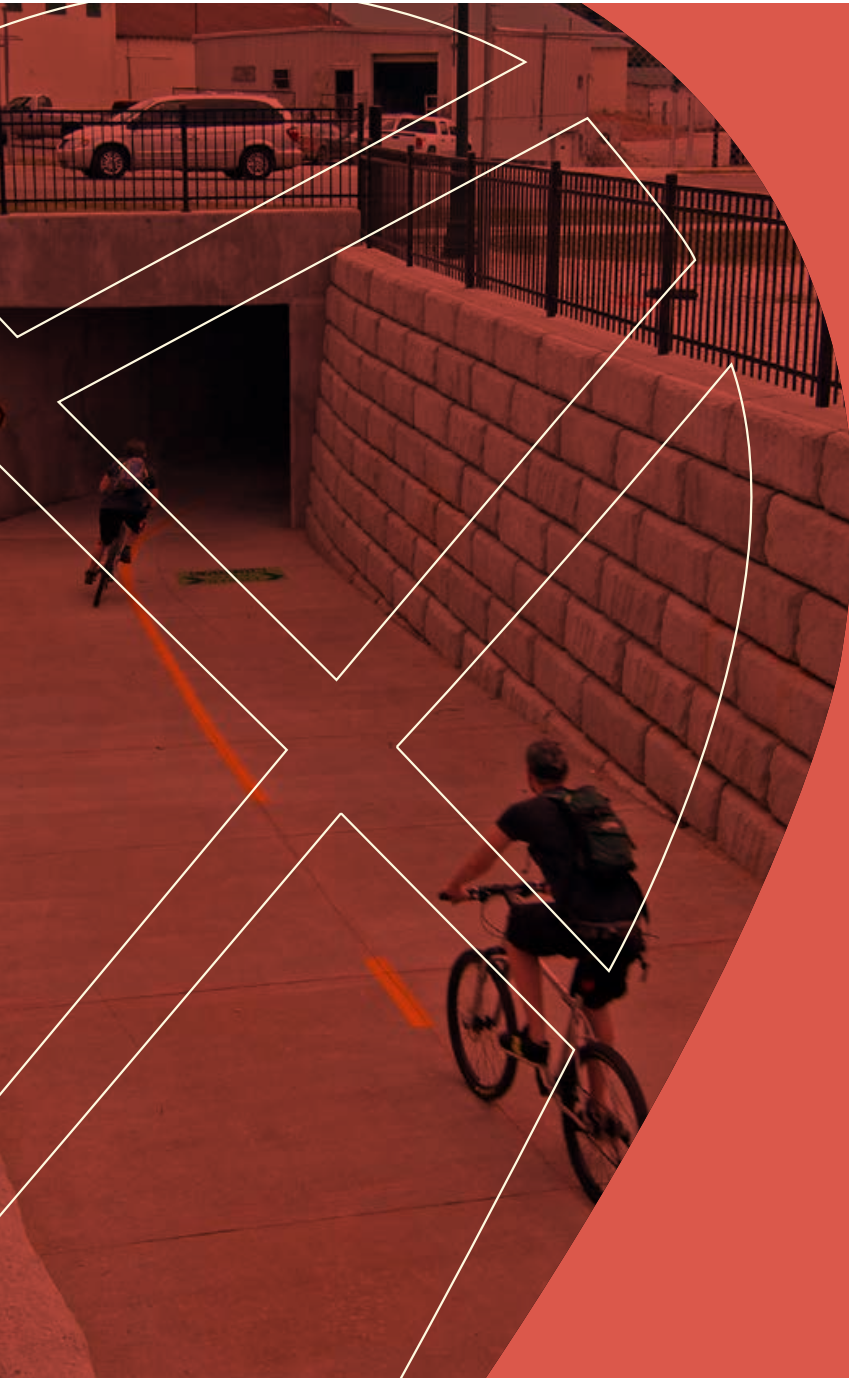
planned creation of the Northwest Arkansas Innovation Hub, Fayetteville is prime to become the preeminent location for startup companies and is becoming known as the Startup City of the South. The long-term proliferation of a healthy startup ecosystem depends on citywide support of startup companies and the enhancement of cultural initiatives.

Additionally, Fayetteville must maintain and create an authentic culture for its residents and student population to remain in the city. Already offering an outstanding lifestyle quality, the city was named the third best place to live in the U.S. by *U.S. News & World Report* in March of 2016.

Fayetteville is a trailblazer in citywide sustainability and conservation initiatives. As Arkansas' only community to receive recognition as a 3-STAR Community, Fayetteville was also the first city in Arkansas to establish a Property Assessed Clean Energy (PACE) Improvement District in 2015. Sustainability efforts are a major differentiator for Fayetteville when focusing on attracting its targeted business sectors identified pursuant to this process and defined in more detail below. Organizing and capitalizing on its sustainable environment is a cornerstone in Fayetteville's future.

An implementation/action plan is being delivered separately from the Fayetteville First plan that will be a working document for the project team to utilize moving through the implementation process over the next five years. Through the implementation of the strategic focuses in the Fayetteville First plan, the city will set its course on becoming a place for creativity, innovation and culture that will attract, grow and retain knowledge-based assets for this 21st century economy.

TARGETED BUSINESS SECTORS



OVERVIEW

In identifying the targeted business sectors for Fayetteville, Boyette Strategic Advisors (Boyette), completed quantitative and qualitative research that included reviewing the Arkansas Economic Development Commission and the Northwest Arkansas Council targeted business sectors and projected growth for those targets. Additionally, Boyette reviewed Fayetteville's existing industry base and recent project expansions and new investment. An economic base analysis, which included review of location quotients and a shift share analysis, was also completed for Washington County only, and Washington and Benton Counties combined, to determine business sectors that may provide future opportunities in Fayetteville.

The targeted business sectors identified are corporate services; entrepreneurs and innovators; legacy manufacturers; retail; and specialized technologies. These are not the only targeted business sectors in which Fayetteville will have success but are the top opportunities on which the city should focus its efforts at this time.



**CORPORATE
SERVICES**



**ENTREPRENEURS
AND INNOVATORS**



**LEGACY
MANUFACTURERS**



RETAIL



**SPECIALIZED
TECHNOLOGIES**



FAYETTEVILLE FIRST

CORPORATE SERVICES

Corporate Services can broadly be defined as company-wide support services that may include legal, marketing, information technology, and other. With a highly-skilled workforce, a lower cost of doing business, and a high lifestyle quality, Fayetteville, Arkansas, has become the regional headquarters for many new business opportunities, and also has the physical and workforce infrastructure in place to support businesses in the information technology services and data center sectors. There are an estimated 4,000 people in Washington County employed in corporate services sectors with projected growth of 4 percent by 2020.

TARGETED BUSINESS SECTORS | 7

SKILLED WORKFORCE



45%

OF FAYETTEVILLE RESIDENTS
HOLD A **BACHELOR'S DEGREE**
OR HIGHER



RANKED 27TH
BEST GRADUATE SCHOOL
FOR BUSINESS

UNIVERSITY OF ARKANSAS
WALTON COLLEGE OF BUSINESS



4,000 PEOPLE
IN WASHINGTON COUNTY EMPLOYED
IN CORPORATE SERVICES SECTORS,
WITH PROJECTED GROWTH
OF 4 PERCENT BY 2020

COST OF DOING BUSINESS



4TH
IN THE U.S.
FOR LOWEST COST
OF BUSINESS



FAYETTEVILLE
COST OF LIVING IS
9% BELOW
THE AVERAGE
IN THE UNITED STATES

QUALITY OF LIVING



Source: U.S. News & World Report,
March 2016

3RD BEST
PLACE
TO LIVE IN THE
UNITED STATES

 **WashingtonRegional**

A HEALTHCARE LEADER IN
NORTHWEST ARKANSAS



**CENTER FOR ARTS
AND CULTURE**

HOME TO WALTON ARTS CENTER,
ARKANSAS' PREMIER PERFORMING ARTS CENTER,
AND THEATRESQUARED, A NATIONALLY RECOGNIZED
PROFESSIONAL THEATRE.



**SPORTS AND
ENTERTAINMENT**

THE UNIVERSITY OF ARKANSAS IS HOME
TO RAZORBACK SPORTS' 17 VARSITY TEAMS



**ENVIRONMENTAL
SUSTAINABILITY**

THE CITY WAS RECOGNIZED AS
A 3-STAR SUSTAINABLE COMMUNITY,
THE ONLY CITY IN THE STATE TO RECEIVE THE HONOR.

DATA CENTERS

INFORMATION TECHNOLOGY SERVICES

REGIONAL HEADQUARTERS



FAYETTEVILLE FIRST

ENTREPRENEURS INNOVATORS

Entrepreneurs and innovators are rapidly increasing in numbers with the coming of age of Generation Z. Fayetteville has a strong entrepreneurial ecosystem that has already supported a number of successful startups ranging from e-commerce businesses to electronics, nanotechnology and other.

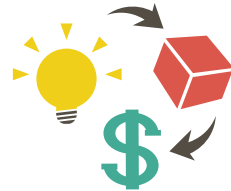


UNIVERSITY OF
ARKANSAS

*Is home to a distinguished Arkansas
research alliance scholar in
emerging technologies.*



FAYETTEVILLE WAS RANKED THIRD IN THE
NATION FOR STARTUP BUSINESSES IN 2015
OUTSIDE OF SILICON VALLEY AND NEW YORK.



ENTREPRENEURIAL ECOSYSTEM

*Northwest Arkansas has a strong alliance
of entrepreneurial startups, as well as
support entities including Arkansas
Research Technology Park, Startup
Junkie and Hayseed Ventures.*



FAYETTECHILL



WOLFSPEED
FREE SHIPPING ALWAYS



ACUMEN BRANDS



Lauren James

SUCCESSFUL STARTUPS

*Fayetteville has a growing and diverse list of thriving
startups that includes Riffraff, Lauren James, Wolfspeed,
Fayettechill, BlueInGreen (BIG), NanoMech and Acumen
Brands, an e-commerce company that has raised \$100
million in venture capital.*



**3RD BEST
PLACE**

TO LIVE IN THE
UNITED STATES

Source: U.S. News & World Report, March 2016

UNIVERSITY-RELATED
RESEARCH & DEVELOPMENT

ORGANIC STARTUPS



FAYETTEVILLE
COST OF LIVING IS
**9% BELOW
THE AVERAGE**
IN THE UNITED STATES



ENVIRONMENTAL
SUSTAINABILITY

THE CITY WAS RECOGNIZED AS
A 3-STAR SUSTAINABLE COMMUNITY,
THE ONLY CITY IN THE STATE TO RECEIVE THE HONOR.

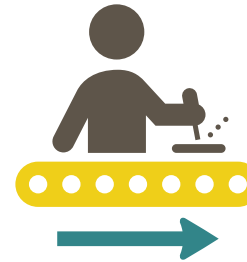


Manufacturing has a long history of success in Fayetteville, with major manufacturers in sectors that include tool-making, food production and automotive. Supporting this sector for retention and expansion will continue to lead to success as manufacturers take advantage of a skilled workforce, a comprehensive transportation infrastructure, and a low cost of doing business.



HISTORY OF SUCCESS

Pinnacle Foods Corporation, Superior Industries International, Tyson Foods, and Walmart Optical Lab are just a few of the successful manufacturers in the area.



TRAINING OPPORTUNITIES

Workforce training opportunities will include a new Northwest Arkansas Robotics Training Center opening in the summer of 2016.



CENTRAL LOCATION

Fayetteville's location in the heart of the U.S. and along Interstate 49 provides an expansive transportation foundation for manufacturing.



FAYETTEVILLE
COST OF LIVING IS
9% BELOW
THE AVERAGE
IN THE UNITED STATES



FAYETTEVILLE FIRST

RETAIL

As the fastest growing city in Arkansas, Fayetteville offers retailers access to a dynamic consumer market that includes a student population of more than 26,000. With ideal available sites and a low cost of doing business, retailers can take advantage of a region with income levels much higher than the state average.

Fayetteville and the MSA have retail gaps in clothing and clothing accessories; sporting goods, hobby, book and music stores; and electronics and appliance stores that present opportunity for growth.



500,000+ POPULATION
IN NORTHWEST ARKANSAS

Northwest Arkansas is one of the fastest growing regions in the United States.



**FASTEST GROWING
CITY IN ARKANSAS**

Fayetteville's population is growing faster than any other city in the state and is expected to increase

10% BY 2020.



\$65,674 AVERAGE
HOUSEHOLD INCOME

(Fayetteville-Springdale-Rogers MSA)



33.8
MEDIAN AGE

(Fayetteville-Springdale-Rogers MSA)

**ACCLAIMED
RESEARCH
CENTER**

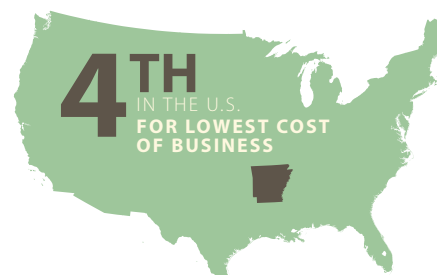


The University of Arkansas is home to the Center for Retailing Excellence, an internationally acclaimed center for retail studies.



**COMMERCIAL
DEVELOPMENT**

The city also offers a number of potentially available commercial buildings for new retail businesses.



**FAYETTEVILLE
COST OF LIVING IS
9% BELOW
THE AVERAGE
IN THE UNITED STATES**



**CLOTHING & CLOTHING
ACCESSORIES STORES**

**SPORTING GOODS, HOBBY,
BOOK & MUSIC STORES**

ELECTRONICS & APPLIANCE STORES



FAYETTEVILLE FIRST



The workforce is projected to grow by eight percent over the next five years.



SPECIALIZED
TECHNOLOGIES

With access to resources like the Center for Retailing Excellence at the University of Arkansas, Fayetteville is a prime location for companies developing specialized technologies to support the retail sector and other big data users. The city offers a highly skilled technical workforce and a low cost of doing business to ensure success.



RESEARCH &
EDUCATION

The Supply Chain Management Research Center, at the University of Arkansas Sam M. Walton College of Business, works with industry to develop curriculum and offer student internships and mentoring opportunities.

The Center for Retailing Excellence, also located at the university, is an internationally acclaimed center for retail studies.



SUCCESSFUL
TECHNOLOGY
COMPANIES

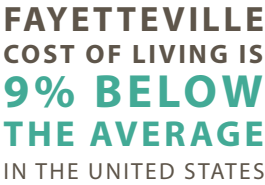
Businesses include Qbot, Metova and CaseStack.

WashingtonRegional
A HEALTHCARE LEADER IN
NORTHWEST ARKANSAS



DIGITAL & DATA ANALYTICS

RETAIL TECHNOLOGIES



STRATEGIC FOCUSES



OVERVIEW

The seven strategic focuses for the Fayetteville First plan are concentrated on maximizing the assets and addressing any challenges identified during this process. The strategic focuses, outlined in more detail below, provide Fayetteville with an actionable guide to strengthen the area's impact on the Northwest Arkansas economy and to solidify Fayetteville's reputation as a place to collaborate, innovate, and create.



1 FOCUS: ARTS AND CULTURE

FURTHER ENHANCE THE ARTS AND CULTURAL ENVIRONMENT

STRATEGIC PRIORITIES

Continue to support existing programs that enhance arts and culture locally

Action Item: Pursue grant funding to support programs for the arts

Action Item: Encourage public art installations

Expand the arts focus in Fayetteville

Action Item: Support Cultural Arts District development

Action Item: Create additional live/work space for artists

Action Item: Develop a Downtown Art Program

Develop and support arts programs in public schools

Action Item: Create an in-school residency program for artists

Action Item: Pursue grants to support these programs

Continue to support the craft beer industry

Action Item: Partner to support existing breweries

Action Item: Assess need for educational programs

2 FOCUS: BUSINESS RETENTION AND ATTRACTION

SUPPORT, RETAIN AND ATTRACT BUSINESS

STRATEGIC PRIORITIES

Create a robust business retention and expansion (BR&E) program

- Action Item:** Clearly define role of contractor related to BR&E
- Action Item:** Include a BR&E component focused on startup companies
- Action Item:** Include a BR&E component focused on legacy manufacturers
- Action Item:** Develop a retention plan for regional headquarters

Improve the business perception

- Action Item:** Understand business perception issues
- Action Item:** Set expectations for customers
- Action Item:** Further streamline permitting processes and document the process communications/outreach tool
- Action Item:** Address broadband challenges

Develop local incentive policy

- Action Item:** Determine targeted areas of interest
- Action Item:** Discuss incentive parameters
- Action Item:** Explore potential funding mechanisms

Meet property needs of targeted business sectors

- Action Item:** Determine available properties
- Action Item:** Assess site and building needs of targeted business sectors
- Action Item:** Incent real estate developers for certain targeted developments

Develop a focused retail development strategy

- Action Item:** Conduct a thorough inventory and analysis of Fayetteville's existing retail base and gaps
- Action Item:** Examine local and regional demographic and retail trends
- Action Item:** Identify potential commercial properties
- Action Item:** Identify potential specialty retail targets
- Action Item:** Consider attendance at the International Council of Shopping Centers (ICSC) convention
- Action Item:** Explore potential "College Town" development with U of A

3 FOCUS: EDUCATION/WORKFORCE

ENSURE WORKFORCE TALENT IS ATTRACTED, DEVELOPED, AND RETAINED

STRATEGIC PRIORITIES

Further engage with higher education

- Action Item:** Create a formalized partnership with the U of A
- Action Item:** Support UAMS Northwest with its future growth in Fayetteville

Ensure workforce and training needs can be met

- Action Item:** Understand existing industry and targeted business sector needs
- Action Item:** Research and conduct a survey of regional higher educational institutions
- Action Item:** Convene regional educational leadership
- Action Item:** Initiate a career readiness program at the high school level
- Action Item:** Ensure that appropriate skilled trade programs and training are available
- Action Item:** Improve public school rankings

Attract and retain the workforce of today and tomorrow

- Action Item:** Create millennial programs
- Action Item:** Focus on retention of U of A graduates

4 FOCUS: ENTREPRENEURSHIP AND INNOVATION

EMBRACE THE ENTREPRENEURIAL SYSTEM AND SUPPORT STARTUP COMPANIES AND THE CULTURE TO RETAIN THEM LONG-TERM

STRATEGIC PRIORITIES

Support a collaborative entrepreneurial/innovative environment

Action Item: Create an entrepreneurship support position at the City

Action Item: Create the Fayetteville Innovation Council

Increase high-tech job growth through University partnerships

Action Item: Partner with the University to expand the existing technology park

Action Item: Create a Startup Village at ARTP

Action Item: Partner with the University to further address capital needs

Create innovative spaces and programs to support entrepreneurs

Action Item: Develop and define an Innovation District

Action Item: Create Collaborative Space

Action Item: Develop incentives for startup companies locating downtown

Action Item: Create innovation housing

Action Item: Support maker space and robotics training center development

Expand entrepreneurship education programs

Action Item: Inventory and assess entrepreneurship education programs

Action Item: Integrate entrepreneurship programs into public schools

5 FOCUS: LIFESTYLE QUALITY

CONTINUE TO IMPROVE THE OUTSTANDING LIFESTYLE QUALITY IN FAYETTEVILLE

STRATEGIC PRIORITIES

Support attainable housing development

Action Item: Assess attainable housing availability and need

Action Item: Target and grow attainable housing developers

Action Item: Explore incentives for developers

Enhance and support public transportation

Action Item: Work to improve local/regional transit system

Action Item: Support idea of rapid transit or light rail in Northwest Arkansas

Energize and support downtown Fayetteville

Action Item: Develop and define the downtown boundary

Action Item: Organize downtown business support effort

Action Item: Seek downtown redevelopment opportunities

Explore other redevelopment opportunities

Action Item: Work to redevelop 71 Business (North College Avenue and South School Avenue)

Action Item: Identify other areas for future redevelopment

Seek development of hotel/conference center

Action Item: Initiate discussions with U of A

Action Item: Identify potential sites

Action Item: Gather supportive data

Action Item: Identify potential developers

Action Item: Explore potential funding options

6 FOCUS: MARKETING AND COMMUNICATIONS

ENHANCE FAYETTEVILLE'S PUBLIC PROFILE AS A DYNAMIC BUSINESS LOCATION

STRATEGIC PRIORITIES

Build the Fayetteville First brand

- Action Item:** Develop key messages that speak to the Fayetteville First positioning
- Action Item:** Secure and utilize appropriate Fayetteville First online handles
- Action Item:** Rebrand all marketing materials and activities with Fayetteville First logo
- Action Item:** Incorporate Fayetteville First messaging into speeches and talking points for economic development leaders

Develop a dynamic digital media presence

- Action Item:** Develop an enhanced economic development web presence
- Action Item:** Re-focus social media messaging toward economic development priorities
- Action Item:** Monitor and engage in online discussions related to targeted sectors
- Action Item:** Incorporate sustainability messaging into digital media

Pursue recognition in key rankings

- Action Item:** Research methodology for targeted rankings
- Action Item:** Identify and pursue recognition in rankings related to innovation, millennials and sustainability
- Action Item:** Market recognition to key audiences

Increase publicity about key economic development efforts

- Action Item:** Utilize local media to communicate to local and regional audiences
- Action Item:** Place guest editorials and news articles in key business and trade publications
- Action Item:** Seek publicity about Fayetteville's sustainability initiatives
- Action Item:** Seek recognition as the Startup City of the South

7 SUSTAINABILITY

ORGANIZE AND CAPITALIZE ON FAYETTEVILLE'S SUSTAINABLE ENVIRONMENT

STRATEGIC PRIORITIES

Understand, promote and plan for the future of sustainability in Fayetteville

- Action Item:** Update Sustainable Inventory annually
- Action Item:** Market and promote sustainable activities
- Action Item:** Develop a plan to guide future sustainable activities

Promote and encourage ongoing sustainability activities in Fayetteville Public Schools (FPS)

- Action Item:** Promote sustainability efforts in FPS
- Action Item:** Work to expand sustainability programs across all schools

Support the local food economy

- Action Item:** Form a Regional Food Economy Work Group
- Action Item:** Seek grants to fund programs
- Action Item:** Explore creation of a Food Hub or similar program

| FOCUS: ARTS AND CULTURE

FURTHER ENHANCE THE ARTS AND CULTURAL ENVIRONMENT

“Understanding and acknowledging the incredible economic impact of the nonprofit arts and culture, we must always remember their fundamental value. They foster beauty, creativity, originality, and vitality. The arts inspire us, soothe us, provoke us, involve us, and connect us. But they also create jobs and contribute to the economy.”

- Robert L. Lynch, President and CEO, Americans for the Arts

The nonprofit arts and culture sector is a significant “industry” in the Northwest Arkansas area, generating over \$45 million in total economic activity. This includes nearly \$31 million by nonprofit arts and cultural organizations and more than \$14 million in event-related spending by their audiences, supporting nearly 1,500 full-time jobs, generating nearly \$30 million in household income to local residents, and delivering \$4.0 million in local and state government revenue.³ The support and further enhancement of the Fayetteville arts and cultural environment is critical.

There are numerous organizations, programs and events that currently support arts and culture in Fayetteville. The Fayetteville Arts Council works to develop and recommend to the City Council policies and programs that would enhance and encourage the planning, placement and maintenance of public displays of art in locations open to the public within the community.⁴



The Walton Arts Center Council, Inc., is a non-profit corporation that was created to serve as an agent for the University and the city to construct, manage, operate, and maintain the Walton Arts Center, which is owned by the city and the University as tenants in common.⁵

The mission of the Fayetteville Underground is to promote the visual arts in Fayetteville and Northwest Arkansas, support area artists, and contribute to the advancement of Fayetteville as a destination city for the arts.⁶

The Walton Arts Center is considered the premier performing arts center in the state and has brought artists and entertainers from around the world to Northwest Arkansas. The facility opened April 26, 1992, as a cooperative effort between the U of A and the city. The Walton Arts Center celebrated its 20th anniversary in 2012.⁷ Currently the Walton Arts Center is undergoing a \$23 million expansion that will result in two theaters with backstage space and administrative offices.⁸ With the support of Mayor Lionel Jordan, voters passed a \$10.9 million bond issue with \$7.1 million committed to help pay for the expansion of the center. Construction is expected to be complete in 2017.⁹

TheatreSquared is a year-round professional theatre that was recognized in 2011 as one of the nation's ten most promising emerging theatres.¹⁰ In its tenth season, TheatreSquared has announced a new \$25 million facility that will open in 2019.¹¹ The city is working toward leasing TheatreSquared land in downtown Fayetteville.

On the first Thursday of each month from April to October, First Thursday Fayetteville transforms the city's historic Downtown Square into a vibrant arts district, featuring the work of more than 40 visual artists, live music, street performers, food and drink, including a local craft beer garden, and children's activities.

Public art continues to grow in Fayetteville, with a newly painted mural on the Square, a sculpture by a local artist on the Frisco Trail, and continuation of the University of Arkansas "Upstream Art" project, which involves the painting of storm drains to bring educational awareness of storm water pollution. Keep Fayetteville Beautiful is continuing its Utility Box Art program to combat graffiti, and City Parks is working with art students in Fayetteville Public Schools to display student art on the trails.¹²

In 2016 there are plans to expand the partnership with the University of Arkansas Art Department for the new Art and Design District to be established.¹³

The Fayetteville Chamber of Commerce created the Celebrate Arts in Fayetteville program, in which the Chamber will promote and showcase the works of four artisans every quarter beginning in 2016.

STRATEGIC PRIORITIES

Continue to support existing programs that enhance arts and culture locally

Action Item: Pursue grant funding to support programs for the arts

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Continue to support the craft beer industry

Action Item: Partner to support existing breweries

Action Item: Assess need for educational programs



CONTINUE TO SUPPORT EXISTING PROGRAMS THAT ENHANCE ARTS AND CULTURE LOCALLY

Action Item: Pursue grant funding to support programs for the arts

The organizations and activities that currently provide support for arts and culture in Fayetteville that were outlined in the introduction to this section, as well as others not referenced, should continue to be supported and expanded in Fayetteville.

The Fayetteville Arts Council should seek funding from regional and state foundations to support existing and new art programs locally.

Action Item: Encourage public art installations

As previously described, public art is a focus in Fayetteville. In order to sustain this focus long-term, consider the passage of a Percent for Art Ordinance that allocates a percentage of selected capital projects for installation and maintenance of permanent works of public art. Funding for the project would be derived from each project's construction budget, which may include funding from the Federal, State, County or City level, as well as private support. See the Chapel Hill ordinance described to the right for an example of how this ordinance could be structured.



EXPAND THE ARTS FOCUS IN FAYETTEVILLE

Action Item: Support Cultural Arts District development

The Fayetteville Cultural Arts District was established by the City Council in August 2007 (Resolution No. 160-07) and encompassed cultural anchors in the downtown area such as the Walton Arts Center and the Blair Public Library as well as multiple arts galleries and the revitalized Mill District. The defining characteristic of the Cultural Arts District will include a concentration of cultural facilities and related activities, including those that support the fine arts (concert halls, theaters, and galleries) as well as libraries, historical museums and educational institutions. The district should also include restaurants, nightclubs and other forms of popular entertainment.¹⁴

BEST PRACTICE: ARTS ORDINANCE

Chapel Hill, North Carolina

The Town of Chapel Hill, North Carolina, has a Percent of Art Ordinance, which allocates 1 percent of selected capital projects for the creation, construction and maintenance of permanent works of public art.

The Town Council selects sites for Percent for Art commissions and these projects are then administered by the Public and Cultural Arts Office and overseen by an Oversight Committee consisting of community stakeholders, local arts professionals, civic leaders, and relevant Town departments. Funding for Percent for Art projects comes from each project's construction budget, which can include Federal, State, County, Town, and private support.

North Carolina artists are encouraged to apply.

For more information:

[Chapel Hill Percent for Art](#)

The Fayetteville Cultural Arts District will promote and expand the ever-growing cultural impact of downtown by creating a single marketable district, and as such should be supported.

The River Arts District in Asheville is an example of a successful arts district.

Action Item: Create additional live/work space for artists

The creation of living and working space for artists appears to be a focus of the Fayetteville Arts District Development. See information on the artists working studios in the River Arts District in Asheville.

Action Item: Develop a Downtown Art Program

Explore the creation of a Downtown Art Program, which encourages local artists to apply to conduct a project in downtown Fayetteville. All media and art forms should be considered, including performing arts, installations, and cultural or educational programming.



BEST PRACTICE: ARTS DISTRICT AND WORKING STUDIOS

Asheville, North Carolina

The River Arts District in Asheville, North Carolina, is comprised of an array of artists and working studios in 22 former industrial and historical buildings along a one-mile stretch of the French Broad River.

More than 200 artists work in the River Arts District; and although there are no official “Open Hours,” at any given time throughout the year, visitors will find a number of open studios and galleries. There are also a number of restaurants, cafes and a brewery in the district.

For more information:

[River Arts District](#)



DEVELOP AND SUPPORT ARTS PROGRAM IN PUBLIC SCHOOLS

Action Item: Create an in-school residency program for artists

Create a program in Fayetteville similar to the Artists-in-Residence program in Chapel Hill, North Carolina, that involves professional artists working with students in the Fayetteville School District to create original programs of art. The support for this effort is already in place through the Arkansas Arts Council Arts in Education Artist Roster, which is an online listing of professional performers and visual or literary artists who are available to participate in a variety of Arts in Education programs. The Arts in Education (AIE) program is designed to strengthen the role of the arts in pre K-12 educational settings by fostering participation in the arts as an integral part of life and the basic education process.¹⁵

Local schools and community nonprofit organizations may sponsor individual teaching artists or teaching artists associated with a larger arts organization in preK-12 residencies at specific sites to demonstrate their art discipline and link their art form to other curriculum areas. During a residency, artists are based in a school or a community organization where they work with a site coordinator and key staff members to develop programs and activities based on the site’s needs and facilities.¹⁶

The AIE program initiates new arts programs, or enhances existing ones, in schools and local arts agencies by providing direct interaction with professional artists in residencies for pre K–12 students. All artists involved in AIE residencies must be selected from the Arts in Education Artist Roster.

Action Item: Pursue grants to support these programs

The AIE program also offers three Arts in Education grants that could potentially be used to fund these and other programs, including the following: After-School/Summer Residency Program, Arts Curriculum Project Grants, and In-School Residency Program.¹⁷



CONTINUE TO SUPPORT THE CRAFT BEER INDUSTRY

The craft beer business includes nano-breweries and micro-breweries. According to the Brewers Association, craft beer comprised 11 percent of the volume of beer sold in the U.S. last year, and the percentage has increased by double-digits every year for the past five or six years.¹⁸

In addition, the millennial generation is aging into the stage where their interests are on things that are hand-crafted and not mass-produced, so the growth in craft brewing has increased while the overall mass-produced beer market has flattened out.

It was reported in September 2015 that craft beer production in Northwest Arkansas is up 778 percent since 2011. Most of the local craft beer companies in Northwest Arkansas, including Saddlebock, Foster's Pint & Plate, Core, Bike Rack, Ozark, Fossil Cove, Apple Blossom, Columbus House, West Mountain and Bentonville Brewing Company, didn't exist five years ago. In 2011, revenue from a \$7.50 state per-barrel tax collected in Benton and Washington counties was \$5,749. In 2014, seven breweries in the counties paid \$50,478.¹⁹

The Fayetteville Visitors Bureau's self-guided Fayetteville Ale Trail, which was launched in August 2013, now promotes breweries in Fayetteville, Rogers, Springdale, and Bentonville and has provided more than 30,000 trail passports since the program started.²⁰

Action Item: Partner to support existing breweries

The City of Fayetteville should work with the Northwest Arkansas Council and the Fayetteville Visitors Bureau to ensure that this industry is supported and that any challenges to existing companies in Northwest Arkansas are addressed. The easiest way to determine any challenges of these companies may be a targeted online survey focused on understanding how the city and region can support their future growth and potentially attract larger operations in the future.

Action Item: Assess need for educational programs

The need for additional educational programs in the region to support the craft beer industry should be assessed as part of the online survey. This may be an area that could be addressed through the existing culinary program at Northwest Arkansas Community College (NWACC) and this should be explored.

BEST PRACTICE: CRAFT BEER INDUSTRY

Asheville, North Carolina

All around Asheville and through Western North Carolina, a brewery boom is underway with millions of dollars being pumped into the local economy. Asheville is home to more breweries per capita than any other city in the U.S. In addition to small batch breweries, the area is also home to large operations, including Sierra Nevada Brewing Company, Oskar Blues and New Belgium. New Belgium will be locating in Asheville's River Arts District and will create 154 new jobs and invest \$140 million. To provide support for the industry and community support, Oskar Blues worked with the local community college to develop a brewing curriculum and offered space for use by students.

For more information:

[Brewery Industry Enjoys Growth](#)



| FOCUS: BUSINESS RETENTION AND ATTRACTION

SUPPORT, RETAIN AND ATTRACT BUSINESS

In the world of sales, it has often been said that “Your best prospects for new business are with your existing customers.” This mantra holds true in the world of economic development today. Therefore, economic development programs continue to have strong retention strategies to enhance private sector investment and job growth. This is particularly important for Fayetteville, considering the strong base of legacy manufacturers that Fayetteville wants to maintain and support, as well as the startup companies that need to continue to grow their operations in the city. As such, the creation of a robust business retention and expansion program is critical for Fayetteville.

On a related note any business perception challenges must also be addressed both to support and retain existing business and industry, as well as attract new business. In Fayetteville, this includes addressing perceived challenges with the permitting process. Also, access to fiber-based, high speed, affordable broadband has been identified as an issue for area businesses.

Fayetteville must also ensure that it is putting the infrastructure in place to attract and meet the needs of the targeted business sectors, which may include availability of local incentives and property to meet their needs. The retail sector is a different anomaly and, therefore, must be approached differently from a business attraction and retention perspective.

STRATEGIC PRIORITIES

Create a robust business retention and expansion (BR&E) program

- Action Item:** Clearly define role of contractor related to BR&E
- Action Item:** Include a BR&E component focused on startup companies
- Action Item:** Include a BR&E component focused on legacy manufacturers
- Action Item:** Develop a retention plan for regional headquarters

Improve the business perception

- Action Item:** Understand business perception issues
- Action Item:** Set expectations for customers
- Action Item:** Improve customer service
- Action Item:** Further streamline permitting processes and document the process as a communications outreach/tool
- Action Item:** Address broadband challenges

Develop local incentive policy

- Action Item:** Determine targeted areas of interest
- Action Item:** Discuss incentive parameters
- Action Item:** Explore potential funding mechanisms

Meet property needs of targeted business sectors

- Action Item:** Determine available properties
- Action Item:** Assess site and building needs of targeted business sectors
- Action Item:** Incent real estate developers for certain targeted developments

Develop a focused retail development strategy

- Action Item:** Conduct a thorough inventory and analysis of Fayetteville's existing retail base and gaps
- Action Item:** Examine local and regional demographic and retail trends
- Action Item:** Identify potential commercial properties
- Action Item:** Identify potential specialty retail targets
- Action Item:** Consider attendance at the International Council of Shopping Centers (ICSC) convention
- Action Item:** Explore potential "College Town" development with U of A



CREATE A ROBUST BUSINESS RETENTION AND EXPANSION (BR&E) PROGRAM

Action Item: Clearly define role of contractor related to BR&E

Future contracts for economic development services between the City of Fayetteville and the selected contractor should clearly define BR&E requirements and services.

The program should include:

- Goals for the number of existing businesses to be visited each year
- Direction on the types of questions to ask during the visit
- A process for addressing any identified business needs or challenges following the visit
- Use of a project management data tool to track visits and employer input, with a summary of how any business needs or challenges were addressed following the visit
- A summary report of the accomplishments of the BR&E program that year, including the information above, as well as the number of new expansion projects, jobs created or saved, average wages and investment related to the program

Action Item: Include a BR&E component focused on startup companies

One component of the formalized BR&E program for Fayetteville should include a specific focus on maintaining and supporting future growth of companies that started in the city, such as Acumen, Lauren James, Riffraff, Slim Chickens, Fayettechill, Oh Baby Foods, and many others. These companies should be identified in a separate listing and should be personally contacted on at least an annual basis. Discussions should include how the city can support their growth and development and ensure that they continue to call Fayetteville home, even as they may expand regionally, nationally or internationally. Startup companies recruited by Hayseed Ventures and others should be contacted at least quarterly to ensure their needs are being met and any planning and space needs are being addressed.

Startup companies often have different needs than established companies, including the need for capital, lower-cost real estate options, and a millennial talent pool. Supporting and maintaining the companies that are created in Fayetteville is a key component of becoming a place for entrepreneurship and innovation, and also a major factor in the city's future growth.

Action Item: Include a BR&E component focused on legacy manufacturers

Legacy manufacturers located in Fayetteville, such as Elkhart Products Company, KeyTronicEMS, Marshalltown Company, PACMAC/Packaging Specialties, Pinnacle Foods Corporation, Superior Industries International, Tyson's of Fayetteville and others, strongly contribute to the diversity of the city's economy. A focused BR&E effort should be established for these legacy manufacturers. A separate list of these legacy manufacturers should be generated, and questions should be designed more specifically to their needs, including probing for concerns related to facility expansion, new equipment investment, workforce attraction and training, and infrastructure. These companies should be visited at least once annually.

Action Item: Develop a retention plan for regional headquarters

One of Fayetteville's recommended targets is corporate services, which includes regional headquarters. There are a number of existing regional headquarters in Fayetteville that need to be supported to ensure that they maintain their presence in the city long-term. Part of this strategy would be to develop good relationships with the local management team of all existing regional headquarters located in Fayetteville, as well as the management team located at that company's corporate headquarters, assuring them that the City of Fayetteville recognizes the importance of the regional headquarters continuing to expand in Fayetteville.



IMPROVE THE BUSINESS PERCEPTION

Action Item: Understand business perception issues

Whether accurate or not, a perception exists in Fayetteville related to "business unfriendliness." A prevalent concern is the permitting process for construction and its difficulty and timeliness. These issues must be understood and addressed to encourage future development. See examples of best practices in permitting from the benchmark cities research.

Action Item: Set expectations for customers

The development process is admittedly more complex and rigorous than some developers experience in cities throughout the region. In part this is due to ordinances and regulations that the citizens and elected officials have determined are necessary to maintain the quality of life that Fayetteville has come to expect. Fayetteville is situated uniquely, with a somewhat difficult topography and streams traversing the community with which development must be balanced;

conversely, these are the very characteristics that make the city beloved, and enables Fayetteville to distinguish itself from competitors. Setting the right expectations and communicating Fayetteville's values to the development and business community is important, so that informed and intentional decisions can be made up front, rather than surprises and unexpected issues forcing decisions near the end of a project. Already begun, the City should continue to conduct regular or recurring public sessions related to development, construction and permitting review, process improvements and development challenges to create a venue for communicating opportunities for improvement and set expectations for customers.

Action Item: Improve customer service

Conduct customer service training and improve communications tools and techniques for all staff engaged in interacting with the public.





STRATEGIC FOCUS: BUSINESS RETENTION AND ATTRACTION | 25

Action Item: Further streamline permitting processes and document the process as a communications/outreach tool

A concierge service offering a single point of contact should be created to assist new and expanding businesses with permitting. This contact would coordinate with all city departments and divisions involved in the process. A weekly “one-stop shop” might also be created for businesses with limited needs to meet with city officials to discuss the project with the possibility of immediate approval of the submission or quick response on needed adjustments to expedite approval.

BEST PRACTICE: PERMITTING

Boulder, Colorado

The City of Boulder uses a phased process for the review of building permits. For small projects such as fences, roofs, single-family electrical systems, and single-family heating and air-conditioning systems, a permit may be issued over the counter. For new multi-family dwellings and commercial buildings, the estimated review time is 60 days. If for any reason a permit is not granted within 180 days, the applicant can either file an extension or will have to submit a new application. An online permit status report allows an application to be tracked throughout the process.

Chapel Hill, North Carolina

The Town of Chapel Hill’s permitting is handled through its Office of Planning and Sustainability. The Office of Planning and Sustainability is touting permitting improvements in 2015, including a simplified permit application; an updated, easy-to-read checklist and associated materials; improved web presence; implementation of a text message update service; improved building inspector availability; and improved average permit approval time approximately to 15 days for residential and 30 days for commercial.

For more information:

[Boulder Permitting Process](#)

[Boulder Permit Status Report](#)

[Chapel Hill Permitting Process](#)

[Chapel Hill Permitting Improvements](#)

Action Item: Address broadband challenges

The City of Fayetteville is convening a local task force of educators, entrepreneurs, and city staff to set priorities for the Mayor's Strategic Broadband Plan for Fayetteville, which includes the creation of a competitive environment and plan for a next-generation, fiber-based service for government, residential, and business services. Mayor Jordan joined a collaborative coalition through Next Century Cities (nextcenturycities.org) last fall, and he and staff have been actively researching options.

The city understands the need/requirement of affordable, accessible broadband as an economic development driver and is determined to define a long-range blueprint with community input to implement its broadband future. The effort is not about simple high-speed Internet access; but it is also about ensuring the development of an appropriate fiber-based infrastructure to support the city's efforts to attract and retain high-tech and entrepreneurial startups, to support local businesses, and provide quality connectivity to remote workers who handle big data modeling and visualization. Additionally, this type of infrastructure is required for a fundamental aspect of doing city business as the Internet of Things (IoT) evolves to support possible initiatives such as smart utility metering, transportation planning, and public safety.

Staying with status quo is not going to work. Current available services in Fayetteville do not include pervasive, competitively priced access to high-speed reliable network services. The future of Fayetteville depends on staying competitive to give the creative class a sense of place to exceed others across the globe. Fayetteville First means becoming the city for high-tech, high-growth, high-paying jobs for people who have the options to locate anywhere they choose. In order to enhance Fayetteville as a center of innovation, creativity and collaboration, and provide access to next-generation broadband for development opportunities, Fayetteville needs to act now and be actively recruiting partners to join its efforts.

"There's a significant interest in making sure that the infrastructure matches the growth. The reality is that it's very hard to build scalable ventures that are relying on tech and good bandwidth capability if you don't have it," remarked Jeff Amerine, founder of Startup Junkie Consulting on the Square in Fayetteville.

Fayetteville's research with benchmark cities, the 130 cities signed on to Next Century Cities, and active participation with the National League of Cities

BEST PRACTICE: BROADBAND**Chapel Hill, North Carolina**

Google Fiber -- Chapel Hill has been selected as one of the next destinations for Google Fiber, making the community among a handful in the nation to have this ultra-highspeed Internet service. Google Fiber will bring Chapel Hill residents access to "Gigabit" Internet connections up to 1,000 Megabits per second. Google will be working closely with Chapel Hill on the next steps to build a brand new fiber-optic network capable of delivering these gigabit speeds throughout Chapel Hill.

In July 2015, Google Fiber announced its commitment to provide free Internet access to public housing neighborhoods in all Google Fiber cities, including Chapel Hill. This moves the Town closer to its goal of providing free Internet access to all public housing residents, while providing all residents with a variety of options to from which to choose. Concurrently, the Department of Housing and Urban Development is announcing a new initiative to wire a select number of cities, including Durham.

Fort Collins, Colorado

In an effort to determine local citizen and business needs and desires regarding broadband, the City of Fort Collins is initiating a study to:

- Understand the communication needs of Fort Collins' residents, businesses and educational institutions, and whether existing services and networks are keeping pace.
- Collect benchmark data from other communities.
- Explore options for broadband services.

Fort Collins will consider numerous options for being involved in broadband services. Options include leasing fiber to private entities, creating a public-private partnership to provide services, or directly providing services. Throughout 2016, the city will be conducting feasibility and market studies and will be engaging the public to determine what role, if any, they would like to see the city play in providing broadband.

Technology Leadership Committee shows there is no playbook for how to approach the issue. Each community has to look at the problem differently, depending on its goals for smart growth. Fayetteville should consider five main areas of focus:

- Fiber-based, 1+Gig service among city facilities in an institutional network
- Explore public/private partnerships to provide Fiber-based, 1+Gig service for businesses and residential customers
- Policy considerations such as “dig once” for laying conduit and/or fiber where appropriate during infrastructure development
- Policy considerations at increasing access to city infrastructure and simplifying our permitting processes to facilitate the expansion of fiber-based service and increase broadband competition in our local market
- Equitable access for all citizens at competitive, affordable prices to close the homework gap and provide access for workforce training, certification, and job applications



DEVELOP LOCAL INCENTIVES POLICY

Action Item: Determine targeted areas of interest

Fayetteville does not currently have a local incentives policy. The City of Fayetteville should explore the development of an incentives policy that may address targeted areas of interest, such as entrepreneurship and early-stage development, retail, local agriculture and food systems, as well as the potential needs of the other targeted business sectors. The Orange County Economic Development Grant is a good example of this kind of grant program that targets areas of interest. A grant to assist local farmers, like the Orange County Agriculture Economic Development Grant, should also be considered.

Action Item: Discuss incentive parameters

Incentives should be offered only to projects meeting established parameters related to job creation, investment and wages. Very rigid requirements and guidelines for companies receiving incentives should also be established.

BEST PRACTICE: INCENTIVES

Asheville, North Carolina

The City of Asheville offers Land Use Grant Incentives that provide property tax rebates to projects that fulfill public objectives outlined in the City Council’s Strategic Plan. Those objectives include green building, affordable and workforce housing, and mixed-use and transit oriented projects. Qualification for the grants requires that projects obtain Energy Star certification; consist of two or more dwelling units; and be located within city limits and ¼-mile of major highways. Green and affordable housing projects may also qualify for a 50 percent rebate of water connection fees.

Industrial Development Grants are also available to eligible businesses investing \$1.5 million or more. Eligible companies would qualify for a grant paid annually, calculated as a percentage of property taxes for up to seven years. In addition to the investment requirement, companies must be consistent with long-range plans and development goals, create “quality jobs,” and be engaged in eligible business activities that may include manufacturing, research and development or distribution. This incentive also requires all new and retained jobs pay a living wage as determined by the universal living wage formula.

A Business Development Grant is available for projects with an investment of more than \$250,000 but less than \$1.5 million.

For more information:

[Asheville Sustainability Incentives](#)

[Asheville Development Incentives](#)

BEST PRACTICE: INCENTIVES

Chapel Hill, North Carolina

The Orange County Economic Development Grant Program includes a Business Investment Grant funded by a one-quarter-cent sales tax and managed by the County's Economic Development office. To support and encourage entrepreneurship, early-stage development, local agriculture and local food systems, small and large grants are available ranging from \$1,500 to \$10,000.

An Agriculture Economic Development grant assists local farmers to develop new sources of agricultural income.

For more information:

[Grow in Orange County](#)

Action Item: Explore potential funding mechanisms

Incentives could be funded through a grant of the non-educational portion of property tax revenues generated by the project, which is how the City of Asheville has funded its incentives. The City of Fayetteville may also want to explore the possibility of utilizing discretionary mills to fund a grant program.



MEET PROPERTY NEEDS OF TARGETED BUSINESS SECTORS

Action Item: Determine available properties

As previously indicated, Fayetteville has a number of sites and buildings listed on the AEDC sites and buildings database as of March 2016. There are also private developers that own other sites and buildings in Fayetteville that may not be reflected on that database. A comprehensive inventory of all sites and buildings that are available for potential development must be created, and the AEDC sites and buildings database updated accordingly.

Action Item: Assess site and building needs of targeted business sectors

Assess the potential site and building needs of each of the targeted sectors and determine the need to identify additional sites and encourage the development of property in the future. The main need seems to be related to the availability of greenfield sites and office building or park development.

Related to each target sector, the typical site and/or building needs would need to be determined based on what a typical project of that caliber needs. For example, a regional headquarters, IT services company, and those engaged in specialized technologies may require a greenfield site or Class A office space. A data center typically wants a greenfield site. Entrepreneurs and innovators want collaborative space that is available at little to no cost. Retail needs available commercial space or land to develop.

Action Item: Identify and develop more property

Based on the outcome of the comprehensive inventory of all sites and buildings and the assessment of available inventory to meet the needs of the targeted business sectors, work to identify and develop additional property.

Action Item: Incent real estate developers for certain targeted developments

It may be necessary to provide incentives to developers to entice them to invest in sites or office space in Fayetteville, related to the targeted business sectors. Incentives that could be offered to developers may include a finder's fee or reduced land cost (if city-owned), property tax reductions, expedited permitting, impact and other fee reductions, sale-leaseback arrangements, or incentives for developers building to sustainable building standards. Once developed and vetted through the proper review process, the potential incentive offerings should be marketed to a list of targeted developers.



DEVELOP A FOCUSED RETAIL DEVELOPMENT STRATEGY

Action Item: Conduct a thorough inventory and analysis of Fayetteville's existing retail base and gaps

As previously referenced, Fayetteville is the fastest-growing city in the State of Arkansas by population, and Northwest Arkansas is one of the fastest-growing regions in the U.S., with each city in the region adding more than 1,000 people in the last year, with a total population of more



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than half a million.²¹ The population of the region is expected to increase nearly 10 percent between 2015 and 2020.²² However, Fayetteville and the larger Fayetteville-Springdale-Rogers Metropolitan Statistical Area (MSA) have significant retail leakage in the categories of clothing and clothing accessories; sporting goods, hobby, book and music stores; electronics and appliance stores; and other.²³ These retail gaps must be addressed.

Fayetteville must have an understanding of its existing retail base, including all businesses and centers, as well as any gaps, and should also work with the Northwest Arkansas Council to determine the existing retail base and gaps of the entire region.

Action Item: Examine local and regional demographic and retail trends

Fayetteville should also understand the demographics of Fayetteville and the region, considering typical factors considered by the retail sector in its location decisions, which include population, population growth, educational attainment and income. This retail infographic should reflect this information and can be used to market Fayetteville and the region to potential retailers and retail developers. This information should appear on the city and Chamber websites.

Action Item: Identify potential commercial properties

As previously indicated, Fayetteville offers a number of sites and buildings potentially available for commercial development. These sites and buildings should be mapped and marketed to potential retailers and retail developers. In addition, potential redevelopment sites that may be appropriate for retail should be identified.

Action Item: Identify potential specialty retail targets

Specialty retail stores are typically in smaller formats that are focused on specific product categories such as women's clothing, electronics or office products.²⁴

Based on the outcome of the retail base and gap analysis, as well as the commercial property inventory, Fayetteville should identify potential specialty retailers to focus its marketing efforts. A niche market attractive to the University environment, such as Trader Joe's, Urban Outfitters and West Elm, should be considered.

Action Item: Consider attendance at the International Council of Shopping Centers (ICSC) convention

ICSC is the global trade association of the shopping center industry. Its more than 70,000 members in over 100 countries include shopping center owners, developers, managers, investors, retailers, brokers, academics, and public officials.²⁵

The global convention occurs in Las Vegas each year, but there are also regional events that should be explored and considered for attendance.

Action Item: Explore potential “College Town” development with U of A

Universities today continue to look for ways to shape the environments around them and to work in partnership with the municipalities in which they reside to create spaces that can be enjoyed by students and residents alike. The city should discuss this idea with representatives of the U of A.

North American Properties developed the College Town development in Rochester, New York, described to the right, and has invested heavily in the community.

Other developers, such as Fairmont Properties, have University initiatives in which they focus on acquiring, constructing, developing, leasing, financing, owning and operating real estate assets either on, adjacent to, or affiliated with colleges and universities. These projects often result in revitalization of a downtown area or contribute toward efforts to initiate broader growth in a community. Fairmount Properties invests its own capital into these projects, and often these developments provide a new source of revenue for the institutions around which they are built. One example of a Fairmont Properties development is the College Town Blacksburg, which is a 225,000-square-foot town center located within walking distance of Virginia Tech University. The \$35 million development includes a variety of regional and national retailers.²⁶

BEST PRACTICE: RETAIL DEVELOPMENT

Rochester, New York

Once home to the Towne House Motor Lodge, the location of the \$100 million College Town development in the City of Rochester was in need of reinvention. College Town is a one-million-square-foot mixed-use development on more than 14 acres of land owned by the University, which is anchored by a Barnes & Noble bookstore, features a Hilton Garden Inn Hotel with 150 rooms and a conference center, as well as restaurants, coffee shops, a bakery, a yoga studio, a grocery store, other shops, a parking garage with capacity for 850 vehicles, and 152 apartments. A CVS, Corner Bakery and Urban Outfitters are other retailers that have located in the neighborhood near the College Town development.

The developer, North American Properties, has invested more than \$87 million in the neighborhood.

Neighborhood groups and the City of Rochester joined the University in planning the development.

For more information:

[Rochester Review](#)

[Rochester Builds a College Town](#)

| FOCUS: EDUCATION/WORKFORCE

ENSURE WORKFORCE TALENT IS ATTRACTED, DEVELOPED, AND RETAINED

Being able to attract, develop, and maintain talent is critical for the retention and recruitment of business and industry. With the presence of the U of A and the Northwest campus of the University of Arkansas for Medical Science (UAMS) in the city, and NWACC and Northwest Technical Institute in the region, Fayetteville is positioned to provide young and educated talent, as well as access to R&D, to support existing and new business/industry. However, it is critical that the city continue to support and partner with the U of A and UAMS on educational and other initiatives in the future, and work to ensure the future growth of both institutions in Fayetteville.

It is also critical that an understanding of the workforce and training needs of existing business/industry and the targeted business sectors be obtained. A review of existing programs at each institution of higher education in the region, as well as at the high school level, would then need to take place to ensure that the talent needs of the targeted business sectors can be met.

The workforce of today and tomorrow, also known as millennials or Gen Y, and in the future Gen Z, must also be engaged in the hopes they will remain in Fayetteville.

The strategic priorities below are meant to ensure that Fayetteville is able to attract, develop, and retain talent to support its existing business and industry.



STRATEGIC PRIORITIES

Further engage with higher education

Action Item: Create a formalized partnership with the U of A

Action Item: Support UAMS Northwest in its future growth in Fayetteville

Ensure workforce and training needs can be met

Action Item: Understand existing industry and targeted business sector needs

Action Item: Research and conduct a survey of regional higher educational institutions

Action Item: Convene regional educational leadership

Action Item: Initiate a career readiness program at the high school level

Action Item: Ensure that appropriate skilled trade programs and training are available

Action Item: Improve public school rankings

Attract and retain the workforce of today and tomorrow

Action Item: Create millennial programs

Action Item: Focus on retention of U of A graduates



FURTHER ENGAGE WITH HIGHER EDUCATION

Action Item: Create a formalized partnership with the U of A

The University of Arkansas is the biggest asset in terms of attracting residents. "Without the University, Fayetteville would not exist, but we are dependent on each other," according to one stakeholder. Because of this, stakeholders would like to see a stronger relationship between the city and the University.

The Town and Gown Advisory Committee was created by Ordinance 5511 on July 3, 2012, to serve as a forum for collaboration between the City of Fayetteville and the U of A on mutually relevant issues including, but not limited to, campus expansions, the need for student housing both on and off campus, and parking and noise in the areas adjacent to or nearby the campus.²⁷

The Committee is empowered to advise and make recommendations on a periodic basis to both the City Council and the U of A on such issues and to adopt rules for the conduct of its own business.²⁸

The City of Fayetteville should explore with the U of A the idea of formalizing the Town and Gown Advisory Committee. Its focus should be on overall commercial revitalization, community development, quality housing opportunities, workforce/education, talent retention and other areas in order to meet the needs of both the University and the city. The activities of the Town and Gown Advisory Committee may also include exploring a "College Town" development similar to the one described in the previous section related to retail development.

Action Item: Support UAMS Northwest in its future growth in Fayetteville

The City of Fayetteville should convene a meeting with representatives of UAMS to determine how the city can better support their growth and development. This should also include conversations related to the proposed UAMS dental school that could be located in Fayetteville or Little Rock, and a strategy should be developed related to encouraging the location of the dental school here in Fayetteville. There are several sites near the existing campus and downtown that are perfect for these projects.

Support for UAMS may require something similar to what was done for the Walton Arts Center, where voters passed a \$10.9 million bond issue with \$7.1 million committed to help pay for the expansion of the center that was backed by the Hotel/Motel/Restaurant (HMR) tax.



ENSURE WORKFORCE AND TRAINING NEEDS CAN BE MET

Action Item: Understand existing industry and targeted business sector needs

Review workforce analysis studies done for the region to gain an understanding of the workforce availability related to the occupations required of the targeted business sectors. There may be a need to partner with the Northwest Arkansas Council on this initiative.

**Action Item: Research and conduct a survey of regional higher educational institutions**

Develop an understanding of enrollment, degrees offered and graduates of regional institutions of higher education that may serve Fayetteville, including the U of A, Northwest Arkansas Community College (NWACC), John Brown University, and Northwest Technical Institute. This understanding may be obtained through research and by issuing an online survey to representatives of each institution to gather further detail on existing and planned programs. This should be done in partnership with the Northwest Arkansas Council.

Action Item: Convene regional educational leadership

Coordinate with the Northwest Arkansas Council to participate in discussions with local institutions of higher education, and determine whether the workforce and training needs of the identified target markets, as well as existing business and industry, can be met. Representatives of the Fayetteville School District should also be consulted as part of this process.

Work with these institutions to determine possible new program development in the future to meet the needs of the targeted business sectors and existing business and industry.

Action Item: Initiate a career readiness program at the high school level

The Fayetteville School District and/or local charter schools, such as Haas Hall, should explore, in partnership with U of A, the city and others, the creation of a career readiness program similar to the Blue Valley Schools Center for Advanced Professional Studies. This program would have the effect of providing students with real-world experience with local companies, which would result in not only a more trained and prepared workforce, but also could result in more students remaining in Fayetteville after graduation if they had a possible job waiting for them with the company for which they worked during the program. The City of Bentonville launched a similar program called Ignite in August 2015.

Action Item: Ensure that appropriate skilled trade programs and training are available

Northwest Technical Institute and NWACC should be the institutions in the region that address skilled trades. Existing manufacturers in Fayetteville and throughout the region should be engaged working with the Northwest Arkansas Council to ensure that the appropriate skilled trade program offerings are in place to meet their needs.

Action Item: Improve public school rankings

In 2014-15, Fayetteville Public Schools (FPS) students performed better on state assessments in math, English language arts, and science than the other big five districts, which include Bentonville, Springdale, Rogers, Siloam Springs and Fayetteville. The comparison may be somewhat indirect, however, because Fayetteville enrolls lower percentages of students at-risk (eligible for free/reduced lunch programs, limited English and/or special education) than the 'big five' overall. When comparing the performance of just these at-risk (aka TAGG) students, Fayetteville continues to outperform its peers in the region. Even when compared with Bentonville Public Schools, which has fewer at-risk students enrolled, Fayetteville's performance is competitive. FPS meets or exceeds Bentonville's performance in the majority of tested areas.

Although Fayetteville students performed well across the board in 2014-15, FPS should strive to have Fayetteville High School be identified as a "Best High School" by *U.S. News & World Report*. Fayetteville High School has been unranked for several years, while many other high schools in the region have ranked highly. Haas Hall Academy, a charter school with campuses in Bentonville and Fayetteville, remained the top high school in Arkansas for the fifth straight year and increased in the rankings of the nation's best in the latest rankings of high schools by *U.S. News & World Report*. Six of the state's top nine high schools are in Benton and Washington Counties. The state's top three remained unchanged from last year, with Bentonville High School ranking second and Rogers High School ranking third.

Note that all of the information above related to FPS was provided by Sarah McKenzie, PhD, Executive Director, Office for Education Policy, University of Arkansas.

The availability of good public education can be a significant site location factor. FPS should work to improve its school rankings to be more in line with other communities in Northwest Arkansas.

BEST PRACTICE: BLUE VALLEY SCHOOLS CENTER FOR ADVANCED PROFESSIONAL STUDIES

Overland Park, Kansas

Blue Valley Schools' Center for Advanced Professional Studies (CAPS) is a nationally recognized high school program, where students are fully immersed in a professional culture, solving real world problems, using industry standard tools and are mentored by actual employers, all while receiving high school and college credit.

CAPS is an example of how business, community and public education can partner to produce personalized learning experiences that educate the workforce of tomorrow.

CAPS courses meet five days a week for a semester. Courses are two or three periods in length and are offered in both the morning and afternoon to better accommodate students' schedules.

For more information:

[Center for Advanced Professional Studies](#)



ATTRACT AND RETAIN THE WORKFORCE OF TODAY AND TOMORROW

Action Item: Create millennial programs

Millennials or Generation Y, who are typically categorized as those born between 1980 and 2000, were projected to be the largest generation in the workforce by the end of 2015, and will represent nearly 75 percent of the workforce by 2030. These millennials are entering the workforce and are bringing with them a new perception of what work/career life should be like and how relationships between employers and employees should be structured.³⁰

Numerous studies have shown that millennials typically want walkable neighborhoods with commercial areas, including urban mixed-use developments, diversity, transportation alternatives and amenities like arts, culture and restaurants.³¹ They also tend to care about the environment and want to live in communities that practice sustainable development.

With the presence of the U of A and the lifestyle quality the city offers, Fayetteville should be a prime location for the millennial population, as well as the future Generation Z. As such, the creation of a Fayetteville Millennial Advisory Panel should be pursued. This panel should be focused on gaining an understanding of and addressing the issues that concern the millennial population related to Fayetteville in order to ensure their retention long-term.

Action Item: Focus on retention of U of A graduates

Another way to increase the millennial population in Fayetteville is by developing programs to retain graduates of the U of A long-term. One successful example is Philadelphia, with its Knowledge Industry Partnership and Campus Philly, an independent nonprofit established in 2004. Fayetteville should explore, with the U of A, the creation of programs such as these to encourage college graduates to remain in Fayetteville by showing them what the city has to offer beyond the university experience. This could be another initiative of the Town and Gown Advisory Committee.

BEST PRACTICE: COLLEGE GRADUATE RETENTION PROGRAM

Philadelphia, Pennsylvania

More than 15 years ago, Philadelphia city leaders developed a strategy to engage college students in the life of the city with a focus on retaining them after they graduated. The talent retention program began as the Knowledge Industry Partnership under Mayor Rendell and has grown under three additional mayoral administrations.

Campus Philly was established as an independent nonprofit in 2004 with the mission to encourage college students to study, live and work in the Greater Philadelphia region. Campus Philly today has become a model nationally on how to retain college talent. Campus Philly works in partnership with 31 colleges and universities and over 25 corporate members that invest financially in the Campus Philly mission. In addition, 43 arts and culture organizations work in partnership with Campus Philly to bring off-campus experiences to college students.

Campus Philly works to bring audiences together and ensure that Philadelphia meets its college students and college students meet the City of Philadelphia.

Greater Philadelphia has shown tremendous success in retaining graduates, with 64 percent of college students staying in the region after graduation, which is significantly higher than other cities that measure this trend, including Boston, where approximately 50 percent of college graduates stay, and Baltimore, where an estimated 37 percent of college graduates stay. In addition, between 2006 and 2012, Philadelphia gained 100,000 new millennials, with this portion of the population twice as likely to have a college degree as the older population in the city. Philadelphia is also ranked number one among large cities in millennial growth.

For more information:

[Campus Philly](#)

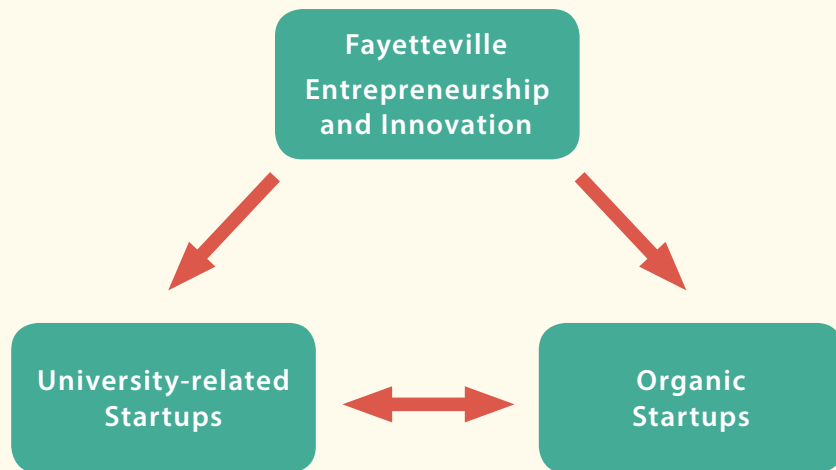


| FOCUS: ENTREPRENEURSHIP AND INNOVATION

EMBRACE THE ENTREPRENEURIAL ECOSYSTEM AND SUPPORT STARTUP COMPANIES AND THE CULTURE TO RETAIN THEM LONG-TERM

Fayetteville is a place for creativity, innovation, and culture. Support of an environment for entrepreneurship/innovation is one of Fayetteville's top economic development opportunities. With that said, an environment that supports entrepreneurship/innovation already exists in Fayetteville, as demonstrated by the success of startup companies that have launched in the city. The support system that currently exists in Fayetteville is strong but not well known or structured. For startup companies to continue to grow and thrive in the city, all of the existing resources must be brought together to truly create an ecosystem for startups, innovation, and ventures in Fayetteville.

Currently there are at least two different tracks of entrepreneurship/innovation occurring in Fayetteville, each of which needs to be fostered and brought together to further enhance the innovation economy. These two tracks include startups originating from research occurring at the U of A, developing from a robust platform of intellectual property that may take time to mature, and organic startup companies in Fayetteville that do not develop out of university research and may have a shorter time to market.



University-related startups in Fayetteville include companies such as APEI (now known as Wolfspeed); Biodetection Instruments, Inc.; Biologics MD, Inc.; Nanomatronix, LLC; Pacific Vet Group-USA, Inc.; and many others, which are primarily supported by the Arkansas Regional Technology Park (ARTP) and related organizations associated with the University system, as well as private companies such as VIC Technology Venture Development, LLC. VIC focuses on forming new technology companies with the purpose of commercializing licensed technologies, providing initial leadership and other support once formed.³² Another University-related resource is the Office of Entrepreneurship and Innovation, which is part of the Walton College of Business and Research & Economic Development.³³

The “Organic Startups” category includes companies such as Acumen Brands, Data Rank, FayetteChill, Field Agent, Lauren James, Overdrive Brands, RifRaff, Slim Chickens, QBox, Oh Baby Foods, and many others that were founded locally in Fayetteville but did not originate out of research conducted at the University, although some were founded by University graduates. These types of companies may receive support through local organizations, such as Startup Junkie Consulting LLC and Hayseed Ventures LLC, both of which are located on the Square in downtown Fayetteville.

Startup Junkie Consulting leads the NWA Venture Team/Ozarks Regional Innovation Cluster (ORIC)/Greater Retail Entrepreneurship Cluster (GREC). It specializes in supporting small businesses and startups with a focus on the retail, consumer packaged goods, supply chain, food, and data analytics clusters. Startup Junkie also provides support, consulting, and assistance to new ventures and small businesses from all sectors.³⁴ In the past year, Startup Junkie has served over 500 unique small businesses and startups through consulting, mentoring, counseling, training, support, and assistance.

Hayseed Ventures describes itself as a “Venture Capital Production Studio” that builds startups into businesses.³⁵ Hayseed may identify an early-stage startup, create its own startup, or take an equity stake in an existing company. It then refines the initial company concept to build a viable product and continues to support the company through Series A funding and more.³⁶

In addition, it was announced in the summer of 2015 that the Northwest Arkansas Innovation Hub would be established on the Fayetteville Square, spearheaded by the Fayetteville Chamber of Commerce. The Innovation Hub is meant to be a space that enables innovators and entrepreneurs and will include a maker space or Fab Lab in a 4,800-square-foot space, which will house “maker” machinery and equipment for invention and prototyping, including a CNC Routing Table, 3D printers and laser-cutting tools catering to entrepreneurs and startup companies, as well as artists and designers.³⁷ The Chamber is now in the process of soliciting private and public funds to renovate and equip these spaces. Once this one-time expense is completed, the centers will be maintained through user fees. The Northwest Arkansas Fab Lab (NWA Fab Lab), which will be open six days a week, is expected to be operational by August 1, 2016.³⁸

The NWA Fab Lab is part of the United States Fab Lab Network (USFLN) and a part of the Fab Foundation created at the Massachusetts Institute of Technology with a worldwide reach of 450 operating Fab Labs. The Fab Foundation was formed in 2009 to facilitate and support the growth of the international fab lab network, as well as the development of regional capacity building organizations. The advantage of being a part of the network is to enable the NWA Fab Lab to exchange knowledge, ideas, and resources to collectively empower people of all ages and backgrounds to experiment and invent new products to solve real-world problems at local, national and global levels.³⁹

The NWA Fab Lab plans to involve all the elementary and middle schools in Benton, Madison, and Washington Counties, as well as charter schools and home-schooled children by inviting students in the 5th through 7th grades to come to the center for classes and hands-on learning.⁴⁰

The Chamber is also partnering with Multi-Craft Contractors (MCC) and NorthWest Arkansas Community College (NWACC) in the development of the NWA Robotics Training Center, which will be located in approximately 3,500 square feet of space just off the Downtown Square. The Robotics Training Center will be funded by paying students sent by their employers to be certified in operating a robot. Other students who wish to receive robotics/automation training through workshops/seminars will also pay a fee to attend them. The NWA Robotics Training Center is also expected to be operational by August 1, 2016.⁴¹

Ideas, talent, capital, and a culture of openness and collaboration are all vital to startup communities. The strategic priorities below are meant to ensure that Fayetteville has the proper system to support and retain startups long-term and truly become known as the Startup City of the South.



STRATEGIC PRIORITIES

Support a collaborative entrepreneurial/innovative environment

Action Item: Create an entrepreneurial support position at the city

Action Item: Create the Fayetteville Innovation Council

Increase high-tech job growth through University partnerships

Action Item: Partner with the University to expand the existing technology park

Action Item: Create a Startup Village at ARTP

Action Item: Partner with the University to further address capital needs

Create innovative spaces and programs to support entrepreneurs

Action Item: Develop and define an Innovation District

Action Item: Create Collaborative Space

Action Item: Develop incentives for startup companies locating downtown

Action Item: Create innovation housing

Action Item: Support maker space and robotics training center development

Expand entrepreneurship education programs

Action Item: Inventory and assess entrepreneurship education programs

Action Item: Integrate entrepreneurship programs into public schools



SUPPORT A COLLABORATIVE ENTREPRENEURIAL/ INNOVATIVE ENVIRONMENT

Action Item: Create an entrepreneurial support position at the city

In order to coordinate the activities within the entrepreneurial/innovative environment in Fayetteville, there must be a single point of contact that handles entrepreneurship/innovation for the city. This Innovation Director role would coordinate with all entities involved in entrepreneurial efforts in the City of Fayetteville, and serve as the point person in addressing any city-related processes that affect entrepreneurs and truly become known as the Startup City of the South.

Action Item: Create the Fayetteville Innovation Council

Create an Innovation Council comprised of representatives of all organizations currently assisting entrepreneurs in Fayetteville described above, including the University of Arkansas, as well as successful entrepreneurs or representatives of startups based in Fayetteville. The new city Innovation Director should also staff the Council. The goal of this organization would be to bring all parties together in order to truly create a collaborative environment that addresses the needs and challenges of entrepreneurs and innovators in Fayetteville. This Council should meet monthly to discuss and work together to address these needs and challenges.



INCREASE HIGH-TECH JOB GROWTH THROUGH UNIVERSITY PARTNERSHIPS

Action Item: Partner with the University to expand the existing technology park

Research Triangle Park (RTP) in Raleigh, North Carolina, reinvented itself 50 years ago as one of the world's leading hubs for innovation, and transformed the area into one of the most-educated and highest-earning metros in the South. With all of its success, RTP is now facing the challenge of "evolving from a suburban office park into a new hub for creativity and economic growth," in order to continue to attract and retain the companies and talent it needs for future growth in the new economy.

ARTP in Fayetteville is comprised of three multi-tenant facilities and three multi-disciplinary research facilities comprising approximately 285,000 square feet of R&D capacity. The idea behind ARTP is to build clusters of companies around the core research strengths of the University.

The U of A owns property near the existing ARTP campus, referred to as West Campus, which is comprised of 72 acres, and East Campus located on the east side of South School Avenue, which is comprised of 54 acres (22.3 acres and 32 acres, respectively) that is vacant.

A partnership by and among the State of Arkansas, the Northwest Arkansas Council, the University of Arkansas, and the City of Fayetteville should be initiated with a focus on funding the expansion of ARTP supporting startups

and attracting new companies in the technology field with the idea of developing a "mini-RTP" in Fayetteville. Once again, support for this project may require something similar to what was done for the Walton Arts Center, where voters passed a \$10.9 million bond issue with \$7.1 million committed to help pay for the expansion of the center that was backed by the Hotel/Motel/Restaurant (HMR) tax.

Action Item: Create a Startup Village at ARTP

In order to provide affordable housing and encourage additional collaboration among U of A entrepreneurs who are working with the University and ARTP to launch a startup business, explore the creation of a Startup Village that would provide housing at reduced costs so that student entrepreneurs can funnel their time, energy and funds into their businesses. In addition to a Startup Village at ARTP, this idea could also be explored for other areas of Fayetteville.

BEST PRACTICE: CSU VENTURES

Colorado State University

CSU Ventures, which is an affiliate of Colorado State University (CSU), a land grant institution, is focused on the business of technology transfer and commercialization at CSU with the intent on bringing innovations and technologies discovered at the University into the marketplace.

CSU Ventures works to protect, manage and transfer University innovations by connecting individuals and companies with University researchers.

CSU Ventures serves as a resource not only to CSU faculty and researchers, but also to industry, entrepreneurs, and investors seeking to further research or commercialize a technology.

For more information:

[CSU Ventures](#)

Action Item: Partner with the University to further address capital needs

Even though there are private organizations in Fayetteville, such as Hayseed Ventures and VIC, that provide angel and venture capital to startup companies in the area, there is still a need for additional funding to support and retain the companies originating there. In addition, in order to successfully develop a “mini-RTP,” availability of capital will become even more critical.

The possibility of establishing a University venture capital fund should be explored, focused on funding companies that are established from research occurring at the University. CSU Ventures, an affiliate of Colorado State University, is one example of this type of arrangement.

**CREATE INNOVATIVE SPACES AND PROGRAMS TO SUPPORT ENTREPRENEURS****Action Item: Develop and define an Innovation District**

Innovation Districts are creative ecosystems where innovative design and development patterns can help entrepreneurs, established companies, and leaders build unexpected relationships, resulting in transformative solutions. These districts are designed to make unusual collaborations more likely to happen.

There is already a burgeoning creative ecosystem in downtown Fayetteville with the presence of numerous startup companies, Startup Junkie Consulting, Hayseed Ventures, the proposed Innovation Hub, and the University of Arkansas Community Design Center (UACDC), which advances creative development through design, research, and education solutions from its downtown facility that houses a full-time design and planning staff who deliver professional services for communities and organizations nationwide.⁴² These businesses, all of which are located on the Fayetteville Square, are the epicenter of this creative ecosystem that is developing and should become part of the proposed Fayetteville Innovation District. Note that the Fayetteville Chamber of Commerce supports the idea of the development of an Innovation District, but defines the geography of the district starting at ARTP from the South/South School Road, up College Avenue to Garland, up north until I-49, down I-49 until Cato Springs, and back to ARTP.⁴³

The geography of the proposed Innovation District should be further discussed and defined with involvement from all of the parties currently involved in the development of the entrepreneurial/startup ecosystem in Fayetteville as previously defined.

Action Item: Create Collaborative Space

Hayseed Ventures, which is located in the old Post Office building, has excess space that could be converted into collaboration space for startup companies. The city should explore the possibility of seeking historic preservation funds to support a restoration of that building into collaborative space. The idea behind this facility could be modeled on District Hall in Boston on a much smaller scale.

BEST PRACTICE: DISTRICT HALL**Boston, Massachusetts**

District Hall is a dedicated civic space where the innovation community can gather and exchange ideas that is comprised of open workspace, classrooms, assembly space, flexible use ‘pods,’ writable surfaces throughout the facility, as well as a coffee shop.

District Hall is the result of a collaborative public-private partnership that started with the idea of the Innovation District by the City of Boston and the Boston Redevelopment Authority, was funded and built by Boston Global Investors, and is operated by the Venture Café Foundation, a not-for-profit sister organization to the Cambridge Innovation Center and others.

For more information:

[District Hall](#)

**Action Item: Develop incentives for startup companies locating downtown**

One of the biggest issues with further development of the entrepreneurial ecosystem in downtown Fayetteville is related to issues with parking. The city is already working on a solution to this issue by potentially creating parking options that would be available to startup companies and those that support them in the downtown area at low to no cost.

The City of Fayetteville may also want to explore development of a low-interest loan or grant program to support startup companies locating in downtown Fayetteville similar to the City of Boulder Microloan Program, which provides funding up to \$50,000 to businesses with annual gross revenue of less than \$2 million⁴⁴, or the Orange County Small Business Loan Program, which is a revolving loan fund for companies with gross revenues of less than \$3 million annually.⁴⁵

Action Item: Create innovation housing

Smaller houses have proven popular in denser settings like downtowns and urban neighborhoods. This trend in housing has resulted in the development of pocket neighborhoods, which are clustered groups of neighboring houses or apartments gathered around a shared open space, such as a garden courtyard, a pedestrian street, a series of joined backyards or other, which can be in urban, suburban, or rural areas.⁴⁶ Pocket neighborhoods are now found in several states, including Arizona, Indiana, Massachusetts, and Oregon.⁴⁷ Smaller homes or apartments with shared facilities outside have broad appeal to young people who don't own much, are highly mobile, and don't mind living in close quarters, and may also appeal to retirees.

During the stakeholder engagement process, many stakeholders mentioned a need for more attainable housing in Fayetteville. A housing component should be included in the plans for development of an Innovation District in Fayetteville that should be focused on development of pocket neighborhoods or communities, which would be more appealing to the entrepreneur/innovator living in Fayetteville.

Action Item: Support maker space and robotics training center development

The first TechShop was created in San Francisco in 2006 and today has more than 3,300 members in six markets. For a small monthly membership fee, urban creatives can build anything, with past projects ranging from a laser hair loss treatment to an electric motorcycle to an incubation blanket for infants that might be on track to save 100,000 children's lives. TechShop is part of a larger maker movement called Fab Lab, which started at MIT, and today is a global network of nonprofit workshops, many associated with schools or universities.⁴⁸

As previously mentioned, there are plans to establish the Northwest Arkansas Innovation Hub on the Fayetteville Square, which is being spearheaded by the Fayetteville Chamber of Commerce. The Innovation Hub is meant to be a space that enables innovators and entrepreneurs and will include a maker space or Fab Lab, as well as a robotics training center.

A recent tour of the University of Arkansas School of Architecture's maker space labs revealed that there is citizen interest in a publicly accessible facility.

**EXPAND ENTREPRENEURSHIP EDUCATION PROGRAMS****Action Item: Inventory and assess entrepreneurship education programs**

All entrepreneurship programs offered at the U of A and other institutes of higher education in the county and region should be inventoried and reviewed to determine potential gaps in the offerings that need to be addressed.

Action Item: Integrate entrepreneurship programs into public schools

There may be small pockets of programs in Fayetteville Public Schools that offer a focus on entrepreneurship, but there does not appear to be a standard curriculum at all schools. As such, explore the establishment of a TYE chapter in Fayetteville in order to ensure entrepreneurship is taught at the high school level in Fayetteville Public Schools. Starting entrepreneurship education at a younger age should have a long-term effect of creating a culture of entrepreneurship in Fayetteville.

BEST PRACTICE: TIE YOUNG ENTREPRENEURS (TYE)

TiE Young Entrepreneurs (TYE) is a global program created in 2005, focused on fostering the future generation of entrepreneurs. TYE focuses on teaching entrepreneurship to high school students, leaving them with an understanding of the rewards and challenges of becoming an entrepreneur.

During the program, the students form teams, go through classroom session modules focused on different aspects of business and entrepreneurship, then write their own business plans, competing at the chapter level. The winner of each chapter goes on to the Global Competition to compete for \$10,000. TYE now has over 20 chapters throughout the TiE network participate each year. There is no TYE chapter in Arkansas.

For more information:

[TiE](#)

| FOCUS: LIFESTYLE QUALITY

CONTINUE TO IMPROVE THE OUTSTANDING LIFESTYLE QUALITY IN FAYETTEVILLE

In today's highly competitive environment for talent, a compelling lifestyle quality has become a competitive advantage. In the tight labor market of today, companies are choosing locations that are attractive to the workforce of tomorrow; and many workers, especially recent graduates and young professionals, are selecting a place to live based on the lifestyle quality before securing employment.

Quality of life/lifestyle was selected as an advantage in Fayetteville by 86 percent of the 1,000 resident survey participants. As such, Fayetteville needs to continue to build on its outstanding lifestyle quality by addressing any potential challenges and capitalizing on any opportunities to make the lifestyle quality even better. The strategic priorities below are focused on the future improvement of the lifestyle quality.



STRATEGIC PRIORITIES

Support attainable housing development

Action Item: Assess attainable housing availability and need

Action Item: Target and grow attainable housing developers

Action Item: Explore incentives for developers

Enhance and support public transportation

Action Item: Work to improve local/regional transit system

Action Item: Support idea of rapid transit or light rail in Northwest Arkansas

Energize and support downtown Fayetteville

Action Item: Develop and define downtown boundary

Action Item: Organize downtown business support effort

Action Item: Seek downtown redevelopment opportunities

Explore other redevelopment opportunities

Action Item: Work to redevelop 71 Business (North College Avenue and South School Avenue)

Action Item: Identify other areas for future redevelopment

Seek development of hotel/conference center

Action Item: Initiate discussions with U of A

Action Item: Identify potential sites

Action Item: Gather supportive data

Action Item: Identify potential developers

Action Item: Explore potential funding options



SUPPORT ATTAINABLE HOUSING DEVELOPMENT

Action Item: Assess attainable housing availability and need

One challenge that was referenced many times during the stakeholder engagement process was the need for more affordable, attainable, or workforce housing in Fayetteville. Attainable housing is generally defined as housing that is affordable to households that earn 120 percent or less of median area-wide income. This group can also include the millennial generation, some of which have just finished college and are starting their first jobs.⁴⁹ There must be attainable housing available to support the middle class and millennials or young professionals that want to remain or locate in Fayetteville.

A housing study should be conducted to identify the availability of and need for additional attainable housing, as well as other types of housing, in Fayetteville, as well as downtown Fayetteville, specifically.

Action Item: Target and grow attainable housing developers

Identify and engage in conversations with residential or attainable housing developers who have completed other projects in the region.

Action Item: Explore incentives for developers

Possible incentives, such as free or reduced-cost land, expedited permitting, fee waivers, and grants for developers of attainable housing developments in Fayetteville, should be explored.

Many jurisdictions in the U.S. have adopted a “density bonus” program as an incentive for developers to construct new attainable housing units. In such programs, a developer obtains the ability to construct additional “market rate” units in exchange for including “attainable” units.

The attainable housing bonus for market rate units may be higher if the developer commits to including very-low or low-income housing units (to be defined), and bonuses may be higher if the attainable units are located in areas preferred for development/redevelopment, or are part of projects that will further land-use plan priorities.

Another program to consider is something similar to the Vacants to Value program in Baltimore, Maryland, described on the following page, which focused on revitalization of distressed neighborhoods through development of quality workforce housing.

BEST PRACTICE: VACANTS TO VALUE PROGRAM

Baltimore, Maryland

This program has resulted in revitalization of many of Baltimore's distressed neighborhoods by providing quality workforce housing through a program of enhanced code enforcement, public/private partnerships and homebuyer incentives. The program, which is managed by Baltimore Housing, focuses its efforts on 24 distressed areas, designated by the city and called Community Development Clusters. The clusters were created in partnership with developers committed to creating new workforce housing opportunities through the acquisition and rehabilitation of vacant property within the cluster area. The program included:

- Receivership auctions that transfer underutilized vacant properties into the hands of capitalized developers;
- Simplified processes and pricing that result in city-owned vacant properties being transferred to the developers quickly and affordably;
- Partnerships that address public safety and infrastructure issues in transitioning neighborhoods;
- Homeownership incentives, including down payment and closing cost assistance to targeted buyers

As of June 2013, 350 units had been created, with another 175 in process of being rehabilitated. More than 95 percent of the housing has been affordable to families at or below 120 percent of AMI, and nearly \$42 million in private investment has been leveraged.

For more information:

[Vacants to Value Program](#)



ENHANCE AND SUPPORT PUBLIC TRANSPORTATION

Action Item: Work to improve local/regional transit system

Another challenge that was referenced many times during the stakeholder engagement process was the need for more public transportation options in Fayetteville and throughout Northwest Arkansas.

Ozark Regional Transit, Inc., currently provides public transportation on 26 buses that travel 15 different routes to a four-county area within Northwest Arkansas, which includes Washington County and Fayetteville. Ozark Regional Transit currently serves more than 300,000 riders each year.⁵⁰

Razorback Transit provides fare-free transportation to U of A on-campus locations and major off-campus living and shopping areas.⁵¹

Work with Ozark Regional Transit to determine the need for additional bus routes in Fayetteville within the city and to other locations in Northwest Arkansas.

Action Item: Support idea of rapid transit or light rail in Northwest Arkansas

Over the years, there have been many discussions and studies completed related to the possibility of rapid transit and/or light rail in Northwest Arkansas. The city should support the Northwest Arkansas Council in this pursuit.



ENERGIZE AND SUPPORT DOWNTOWN FAYETTEVILLE

Action Item: Develop and define downtown boundary

The Fayetteville Downtown Master Plan defines the downtown boundary. It needs to be determined if that should be the definition of "downtown" moving forward or whether the boundary should be defined differently.

Action Item: Organize downtown business support effort

Having a vibrant downtown is an important characteristic in attracting and retaining business, as well as the Millennial Generation and others. The downtown and Dickson Street areas in Fayetteville are at the center of the arts and entertainment attractions in the city, with many boutiques, galleries, bars and restaurants, as well as music venues such as George's Majestic Lounge, and a farmer's market that runs every Saturday throughout much of the year.⁵² Although the Downtown Square is a vibrant, thriving area, there are other areas close to downtown Fayetteville in need of revitalization.

All of the benchmark cities reviewed as part of this process have a downtown organization with one or more staff members that advocate for the ongoing vitality of the downtown area and its businesses. Fayetteville does not currently have this type of support for its downtown efforts, and the Fayetteville Visitor's Bureau seems to be the only organization that markets the downtown area.

The City of Fayetteville should explore the possibility of creating a new organization to fulfill this role, contracting this role or at least forming a Downtown Business Association that works to address the needs of downtown businesses.

Action Item: Seek downtown redevelopment opportunities

It is important that strong ties be developed to the downtown and surrounding historic neighborhoods to promote revitalization and a healthy urban core. There are a number of historical buildings in downtown Fayetteville that are in need of redevelopment. While the historical façade of these buildings should be maintained, it is also important that they be redeveloped into a useful facility so that they can provide both an aesthetic and financial benefit to the City of Fayetteville.

As previously referenced in the Entrepreneurship/Innovation recommendations, Hayseed Ventures, which is located in the old Post Office building, has space left in that facility that could be converted into collaboration space for startup companies. It was recommended that the city explore the availability of historic preservation funds that could be used to support a restoration of that building into collaborative space.

**EXPLORE OTHER REDEVELOPMENT OPPORTUNITIES****Action Item: Work to redevelop 71 Business (North College Avenue and South School Avenue)**

During the stakeholder engagement process, many mentioned that they would like to see redevelopment along 71 Business (defined as North College Avenue and South School Avenue). In line with the City 2030 plans to prioritize infill over sprawl, to accommodate growth, and to bring more people to 71 Business, Fayetteville is working on redeveloping and reinvesting in the area. The city's plan anticipates the future 71 Business to have continuous sidewalks and destinations that encourage the community to come out, walk, interact and support the local businesses there. The city has a new College Avenue sidewalk project currently underway.

Redevelopment of 71 Business is important for the city and should include not only improvement in walkability, but new retail, residential, and business developments. The Chamber of Commerce has recently identified this area as a priority and is investigating opportunities in both the public and private sector to realize this opportunity.

Action Item: Identify other areas for future redevelopment

71 Business should be the immediate focus, but other areas of the city should be identified as priorities for future redevelopment.

**SEEK DEVELOPMENT OF HOTEL/CONFERENCE CENTER****Action Item: Initiate discussions with U of A**

It was referenced many times during the stakeholder engagement process that there is a need in Fayetteville both for a full-service hotel and conference center space.

Partnerships involving hotels, universities, and developers are very common today.⁵³ This may present another great opportunity for the City of Fayetteville to collaborate with the U of A in encouragement of the development of a hotel/conference center near campus, and may be another area for the Town and Gown Advisory Committee to focus its efforts.

Action Item: Identify potential sites

The first step is to identify potential sites for a hotel and conference center. Locations near the downtown area should be a key focus.

Action Item: Gather supportive data

Next, gather data to help support the need for a hotel and conference center development.

Action Item: Identify potential developers

Potential developers will then need to be identified to target for a hotel and conference center development in Fayetteville.

Action Item: Explore potential funding options

Potential funding options for the development will then need to be explored, which may include issuance of a bond or a public/private partnership.

| FOCUS: MARKETING AND COMMUNICATIONS

ENHANCE FAYETTEVILLE'S PUBLIC PROFILE AS A DYNAMIC BUSINESS LOCATION

At its core, economic development is a sales and marketing function. For that reason, effective marketing and communications tactics are essential to support other strategies in this plan that are focused on areas such as business retention and expansion, innovation and entrepreneurship, and sustainability, as well as recruitment of companies within the identified targeted sectors. Additionally, this planning process also included a comparative analysis that identified Fayetteville's key assets related to economic development success. Promotion of those assets to key target audiences will further support the city's economic development success.

Strategic marketing recommendations that increase awareness of Fayetteville and exploit the community's strengths as a business location will serve to enhance overall effectiveness of the city's economic development efforts. Throughout this marketing effort, it is important to remember that most successful marketing programs begin with the community, which requires a marketing focus on internal audiences, in addition to those external prospects. However, the recommendations contained in this document are not intended to represent a comprehensive marketing plan for Fayetteville's economic development efforts. Rather, they are designed to enhance and support other ongoing marketing efforts.



STRATEGIC PRIORITIES

Build the Fayetteville First brand

- Action Item:** Develop key messages that speak to the Fayetteville First positioning
- Action Item:** Secure and utilize appropriate Fayetteville First online handles
- Action Item:** Rebrand all marketing materials and activities with Fayetteville First logo
- Action Item:** Incorporate Fayetteville First messaging into speeches and talking points for economic development leaders

Develop a dynamic digital media presence

- Action Item:** Develop an enhanced economic development web presence
- Action Item:** Re-focus social media messaging toward economic development priorities
- Action Item:** Monitor and engage in online discussions related to targeted sectors
- Action Item:** Incorporate sustainability messaging into digital media

Pursue recognition in key rankings

- Action Item:** Research methodology for targeted rankings
- Action Item:** Identify and pursue recognition in rankings related to innovation, millennials, and sustainability
- Action Item:** Market recognition to key audiences

Increase publicity about key economic development efforts

- Action Item:** Utilize local media to communicate to local and regional audiences
- Action Item:** Place guest editorials and news articles in key business and trade publications
- Action Item:** Seek publicity about Fayetteville's sustainability initiatives
- Action Item:** Seek recognition as the Startup City of the South

ATTRIBUTES OF KEY MESSAGES

Effective key messages have the following attributes:

- Concise:** three to five messages of no more than one to three sentences in length.
- Strategic:** define and speak to the benefits/value proposition.
- Relevant:** a message of importance to the target audience.
- Compelling:** important information that moves the audience to action.
- Simple:** straightforward language free of jargon and acronyms.
- Memorable:** easily recalled and shared.
- Tailored:** adapted to various target audiences, with appropriate depth of information.



BUILD THE FAYETTEVILLE FIRST BRAND

Action Item: Develop key messages that speak to the Fayetteville First positioning

Key messages are used as the basis for an effective branding and communications program. The City of Fayetteville should develop a series of key messages about Fayetteville's economic development assets that relate to the Fayetteville First positioning. These messages would include areas in which the city is a recognized leader, such as sustainability, entrepreneurship, and key educational offerings. All economic development communications activities should center on these messages, which will tell the Fayetteville First story.

Action Item: Secure and utilize appropriate Fayetteville First online handles

While the FayettevilleFirst-AR.com web domain has been purchased and is already in use for this strategic planning process, similar digital media handles should be secured for various social media tools, including Twitter, LinkedIn, and YouTube. Having a consistent handle across all online media platforms will help build equity in the Fayetteville First brand and will ensure that target audiences will easily locate and identify Fayetteville's economic development online presence.

Action Item: Rebrand all marketing materials and activities with the Fayetteville First logo

The Fayetteville First brand and logo should be extended to all marketing materials utilized for Fayetteville's economic development program. This should include the redesigned website, as well as print materials, online "brochures," RFI/RFP responses, signage, and news releases. In addition, a PowerPoint template should be developed using the Fayetteville First brand for all presentations related to economic development.

Action Item: Incorporate Fayetteville First messaging into speeches and talking points for leaders

The concept behind Fayetteville First, as described in the introduction to this document, as well as other key messages developed as part of this plan should be incorporated into speeches and talking points for the Mayor and

other city leaders. These talking points should be provided to City Council members and city staff, in addition to the Mayor, and included in civic club presentations, Council meetings, and any other opportunities to discuss Fayetteville's economic development programs and successes.

DEVELOP A DYNAMIC DIGITAL MEDIA PRESENCE

Action Item: Develop an enhanced economic development web presence

A new, dynamic web presence should be developed to promote Fayetteville as a business location. The website should use the FayettevilleFirst-AR.com web domain and be available through a link from the city's website. The site should be branded with the Fayetteville First brand and include sections on the city's targeted sectors; advantages of locating in Fayetteville; demographic and workforce data and maps; available buildings and sites; business climate and incentives; and living in Fayetteville.

Action Item: Re-focus social media messaging toward economic development priorities

Current social media messaging related to Fayetteville economic development, particularly on Twitter, has a more general Chamber of Commerce message. Fayetteville should more effectively utilize social media platforms with messaging tied to the economic development priorities identified in the Fayetteville First plan. With a basis in the key messages recommended as part of this plan, a series of two or three hashtags should be developed to promote key initiatives around innovation/entrepreneurship, millennials, and sustainability.

To ensure an appropriate focus on targeted sectors, a series of YouTube testimonials featuring successful Fayetteville businesses in each of the targeted sectors should be produced. Additionally, hashtags related to the targets should also be developed to bring Fayetteville to the forefront in conversations related to the targets.



Action Item: Monitor and engage in online discussions related to targeted sectors

Key industry groups on LinkedIn and industry chats on Twitter should be monitored, with Fayetteville leaders participating in those online discussions to further tell the city's story. Additionally, Fayetteville success stories should be posted and promoted on social media platforms and in industry interest groups, as appropriate. These stories should include topics specific to economic development, as well as other related organizations and topics in the community.

Action Item: Incorporate sustainability messaging into digital media

Fayetteville's history of aggressive support for sustainability initiatives should be promoted through social media. As described in the sustainability focus section of this document, sustainability is a critical issue for Corporate America, and Fayetteville can position itself to take advantage of the commitment the city has made to sustainability. To heighten awareness of Fayetteville's sustainability initiatives, the city should incorporate business-oriented sustainability programs into its social media messaging and on the city's economic development website. Additionally, sustainability interest groups on LinkedIn should also be monitored, with Fayetteville initiatives shared in discussions that relate to local programs.

PURSUE RECOGNITION IN KEY RANKINGS

Action Item: Research methodology for targeted rankings

Fayetteville has been recognized by several publications, including U.S. News & World Report Best Places to Live, Forbes Best Places for Business and Careers, and Livability Top 10 Best College Towns. In an effort to continue receiving this recognition and being included on other similar lists, it is important to understand how those rankings are determined. Many rankings of this kind are based primarily on empirical data, which limits how those rankings can be influenced through a public relations effort. However, other rankings are more subjective and require an overall awareness of Fayetteville in order to be considered for recognition. In these cases, an ongoing public relations effort with key editors and/or reporters could potentially influence inclusion on these lists.

Action Item: Identify and pursue recognition in rankings related to innovation, millennials, and sustainability

A variety of publications research and rank communities on various factors related to economic and community development. Fayetteville should explore some of these lists that are specific to the objectives and recommendations of this plan and determine the selection process and criteria for inclusion. Following are examples of the kinds of lists that might be pursued:

- *Forbes* "Best Cities for Millennials"
- *Huffington Post* "10 Best Cities to Live In If You're 35 and Under"
- *Niche* "Best Cities for Millennials in America"
- *Nerd Wallet* "Best Cities for Young Entrepreneurs"
- *Kiplinger* "10 Great Cities for Starting a Business"
- *Inc.* "America's 10 Best Cities to Live and Launch"
- *Mother Nature Network* "Top 10 Green U.S. Cities"
- *Huffington Post* "Top 10 Greenest Cities in America"
- *Wallet Hub* "Greenest Cities in America"

Action Item: Market recognition to key audiences

As Fayetteville is recognized in key rankings, this recognition should be promoted to targeted audiences. All rankings should be included in the city's social media messaging and added to the economic development website. In addition, an e-mail template should be developed to utilize in sharing this news with selected prospects, existing businesses, and economic development partners. These e-mail blasts should be more targeted, with rankings in specific categories shared only with those contacts that would have a particular interest in the topic, while more general rankings are shared with all contacts.



INCREASE PUBLICITY ABOUT KEY ECONOMIC DEVELOPMENT EFFORTS

Action Item: Utilize local media to communicate to local and regional audiences

As mentioned, "internal" audiences – Fayetteville residents and partners – are very important players in an economic development marketing effort. For that reason, it is important to regularly communicate with those audiences about

economic development initiatives and successes. One tool for accomplishing this would be to place a guest column authored by the Mayor in the Northwest Arkansas Business Journal on a bi-annual basis. While "breaking news" successes would likely have been covered by local media, this column would provide a vehicle for summarizing those successes and discuss upcoming opportunities.

Action Item: Place guest editorials and news articles in key business and trade publications

While this plan does not recommend paid media in traditional publications, it is important to pursue news coverage in targeted business and trade publications. This publicity effort should include both guest columns and news articles about important successes and programs in Fayetteville. In trade publications, the focus should be on unique opportunities within a targeted sector, along with potential testimonials from successful companies in that sector that are located in Fayetteville. For general business publications, the target should be on markets that have a cluster of companies within one or more of Fayetteville's targets or that otherwise align with the strategies recommended in the Fayetteville First plan. A guest column authored by the Mayor or other Fayetteville leader could be placed to point to the advantages of locating a business in Fayetteville or have a specific focus, such as the robust entrepreneurial ecosystem in the city.

Action Item: Seek publicity about Fayetteville's sustainability initiatives

In addition to social media messaging and pursuing recognition in rankings related to sustainability, Fayetteville should seek publicity placement about sustainability initiatives in some key business publications. This publicity should be focused on how sustainability impacts Fayetteville's corporate citizens and why companies find the city attractive as a result of its commitment to sustainability.

Action Item: Seek recognition as the Startup City of the South

In the Entrepreneurship and Innovation section of this report, there are a number of action items focused on ensuring that Fayetteville has the proper ecosystem in place to truly support and retain startups long-term. The activities in this area must be publicly touted through social media and other means with the ultimate goal of establishing the message that Fayetteville is the "Startup City of the South." The phrase "Startup City of the South" should be trademarked by Fayetteville, if possible.



| FOCUS: SUSTAINABILITY

ORGANIZE AND CAPITALIZE ON FAYETTEVILLE'S SUSTAINABLE ENVIRONMENT

In recent years, corporate America's commitment to sustainability has grown exponentially. Some of America's most high-profile companies have been recognized for their sustainability initiatives. A number of factors have played a role in the pervasive talk about sustainability among businesses both large and small, and across virtually every industry sector. Consumers are making purchasing decisions based on how sustainable a company or product is. Younger talent is seeking cities and jobs that align with their own sustainable values. Many sustainable initiatives are more than just the "right thing to do"—they actually positively impact the bottom line.

A recent survey by McKinsey showed that CEOs today are twice as likely to view sustainability as their top priority compared to their views in 2012. Most leading global companies today see sustainability as important, if not central, to their strategy for controlling costs, avoiding risks, enhancing brands, attracting talent, fueling innovation, and driving top-line growth. This commitment to sustainability has tremendous impact on economic development efforts. Companies want to locate and do business in communities that have a similar commitment to sustainability and have programs to support their internal initiatives. Fayetteville has in place comprehensive sustainability initiatives, which should be utilized as a competitive advantage for the community. These initiatives should be inventoried, promoted, and strengthened as part of this comprehensive economic development program.

STRATEGIC PRIORITIES

Understand, promote, and plan for the future of sustainability in Fayetteville

Action Item: Update Sustainable Inventory annually

Action Item: Market and promote sustainable activities

Action Item: Develop a plan to guide future sustainable activities

Promote and encourage ongoing sustainability activities in Fayetteville Public Schools (FPS)

Action Item: Promote sustainability efforts in FPS

Action Item: Work to expand sustainability programs across all schools

Support the local food economy

Action Item: Form a Regional Food Economy Work Group

Action Item: Seek grants to fund programs

Action Item: Explore creation of a Food Hub or similar program

UNDERSTAND, PROMOTE AND PLAN FOR THE FUTURE OF SUSTAINABILITY IN FAYETTEVILLE

Action Item: Update Sustainable Inventory annually

As part of its recognition as a 3-STAR Community, Fayetteville submitted information on its sustainable efforts. Ensure that this “sustainable inventory” is complete and updated annually.

Action Item: Market and promote sustainable activities

Fayetteville is a leader in the area of sustainability in the State of Arkansas, and this accolade should be actively promoted through the city and Chamber websites, social media, and other outlets.

Action Item: Develop a plan to guide future sustainable activities

The next step for Fayetteville is to develop a sustainable plan that outlines its strategic priorities related to sustainability over the next five years.

PROMOTE AND ENCOURAGE ONGOING SUSTAINABILITY ACTIVITIES IN FAYETTEVILLE PUBLIC SCHOOLS (FPS)

Action Item: Promote sustainability efforts in FPS

FPS is already ahead of the game related to its sustainability efforts. The FPS District Green Team is focused on educating students, parents, and community members on environmental issues and ways to improve the environment. The Center for Green Schools at the US Green Building Council (USGBC) has selected the Fayetteville School District as one of six school districts across the nation to receive year-round support from the Center for Green Schools and a broad network of school sustainability leaders. The School District Scholarship program provides real, on-the-ground opportunities for entire school districts to engage in sustainability improvements and ongoing education. FPS also has a Farm to School and school garden program called Seed to Student.

These efforts should be inventoried and marketed as appropriate.

Action Item: Work to expand sustainability programs across all schools

Fayetteville has community gardens in some but not all public schools. There should be an organized and supported effort to ensure that there is a school gardening program at all schools in the Fayetteville School District, and that other key programs referenced above are offered district wide.

School gardens provide an opportunity for students to learn not only about how plants grow and where food comes from, but also history, math, science, and culinary arts. Students who participate in school gardens are also shown to have a greater likelihood of trying and liking fruits and vegetables, as school gardens tend to increase the proportion of local and healthy food on the school lunch tray.

SUPPORT THE LOCAL FOOD ECONOMY

The term “local food system” is used to describe a method of food production and distribution that is geographically localized, where food is grown or raised and harvested close to the home of the consumer, then distributed over much shorter distances than is common in the conventional global food system. In general, local/regional food systems are associated with sustainable agriculture.⁵⁷

There is already a significant local food system that exists in Fayetteville that includes but is not limited to organizations such as Apple Seeds, which leads the movement of school garden education within Washington County and manages the educational component of the Fayetteville Public Schools Farm to School program, and Feed Fayetteville, which works to find solutions to local hunger and childhood obesity focusing on supporting local farmers and producers in the community. Even with the existing support, the Fayetteville local food system needs additional support to fully reach its potential. The following steps are recommended:

Action Item: Form a Regional Food Economy Work Group

Involve the Northwest Arkansas Council and the U of A in efforts to further develop the local and regional food economy, and suggest the formation of a Regional Food Economy Work Group.

Action Item: Seek grants to fund programs

In March 2016, it was announced that The Horticulture Department in the Dale Bumpers College of Agricultural, Food and Life Sciences at the University of Arkansas received a \$25,000 planning grant from the United States Department of Agriculture (USDA) Local Foods Program to promote the local food system in Northwest Arkansas. The project, which is a partnership among the U of A, Fayetteville Farmers Market, and Fayetteville Public Schools, called “Building the Capacity of the Northwest Arkansas Food System,” is using an advisory committee, surveys, and stakeholder meetings to determine challenges and opportunities associated with bringing local products to market.⁵⁸

BEST PRACTICE: LOCAL FOOD SUPPORT

Louisville, Kentucky

A Local Food Economy Work Group, which was a collaboration of elected officials from Henry, Oldham, Shelby, Spencer and Trimble Counties and the Cities of Shelbyville and Louisville, started studying the issue of local food supply and demand in 2009. The Kentucky Department of Economic Development, working on behalf of this group, commissioned a Regional Farmers Market Feasibility Study, to understand what regional farmers needed in order to sell more local food in Louisville, and where local food was being sold.

The study recommended key elements needed to increase Kentucky farmers’ share of Louisville’s food market system, specifically, calling for a broker to create relationships and connect suppliers with consumers, which led to the creation of the Louisville Farm to Table program. The program is focused on increasing the capacity of the local food system by working to increase production, marketing, distribution and sales of Kentucky edible agriculture products and to meet the demand of Louisville’s market for local foods.

The effort includes brokering deals and relationships, hosting public forums to identify and overcome barriers in the local food system, and working directly with institutions such as the public school system to support their local food purchasing goals. The program’s objective is to make the flow of Kentucky-grown products into all types of markets more seamless.

The Louisville Farm to Table program is made possible through grants and support from the Kentucky Agricultural Development Board.

For more information:

[Louisville Farm to Table](#)

[Louisville Local Food](#)

The schools received the first three year grant that was a similar partnership in 2012. The USDA Farm to School Implementation Grant was for just over \$99,000 and was used for kitchen equipment, training, staffing, and supplies to increase the ability to purchase and process local products, provide relevant nutrition and school garden learning opportunities for students, and develop community partnerships to expand the Seed to Student program. Other potential grants available through the USDA Local Foods Program should be explored.

Action Item: Explore creation of a Food Hub or similar program

Seek support and funding from the Arkansas Agriculture Department and USDA Local Foods Program to explore the feasibility of creating a program in Fayetteville similar to the Louisville Farm to Table Program, described previously.

Fayetteville has already been exploring the idea of a “Food City” development, a concept developed by the University of Arkansas Community Design Center (UACDC) in association with the University of Arkansas Department of Biological and Agricultural Engineering. “Food City” devises a model for developing an urban food production system beyond the scale of the individual garden. The plan envisions the food shed as an ecological municipal utility, featuring green infrastructure, public growscapes, and urban spaces related to food processing, distribution, and consumption. “Food City” reclaims a “missing middle scale of agricultural land use between the backyard garden and the industrial farm.”⁵⁹

Since its release in 2013, the Food City project team has participated in creating a more permissive Fayetteville Urban Agriculture Ordinance, adopted in 2014 by the city. The city will incorporate urban agriculture land uses into Fayetteville’s forthcoming updated master plan. The city’s Food Policy Working Group was subsequently founded, and in fall 2015 the city launched a municipal composting pilot project.⁶⁰

This idea seems to have some crossover with the Food Hub idea in Louisville. The feasibility of this should be further explored by engaging the Arkansas Agriculture Department, Northwest Arkansas Council, and the University of Arkansas Division of Agriculture.

BEST PRACTICE: FOOD HUB

Louisville, Kentucky

Food hubs, or networks that allow regional growers to collaborate on marketing and distribution, are growing in popularity around the nation, in part due to support from the U.S. Department of Agriculture (USDA).

A 24-acre site formerly occupied by the National Tobacco Company will soon become home to a local food hub in Louisville known as the West Louisville Food Hub. This project, which is a partnership between city government and Seed Capital Kentucky, a non-profit investor, is aimed at supporting small farmers and building a local food economy. The West Louisville Food Hub is a \$45 million project. Seed Capital applied for New Markets Tax Credit to cover about 30 percent of the initial cost of getting the site ready.

The hub is envisioned as a marketplace where farmers can monetize their entire crop. Local produce will first go to restaurant and market buyers within the hub. What doesn’t sell will go to an industrial food processor located next door. What’s left will go to a food bank in the hub. And whatever cannot be eaten will go to an anaerobic biodigester producing methane and heat from organic waste.

The vision is to have a mix of tenants representing the entire food cycle, as well as a two-acre demonstration farm operated by the county agriculture extension service. The project was projected to be completed in mid-2016. “This project has the potential to transform one of Louisville’s most distressed neighborhoods by bringing good food, good jobs, and good development to a vacant site,” says Mayor Greg Fischer.

For more information:

[Louisville Food Hub](#)



ECONOMIC DELIVERY SYSTEM

CREATE AN EFFECTIVE ECONOMIC
DELIVERY SYSTEM

There are various ways as to how a city can organize its delivery system for its economic development efforts. What is most important is that there is a clear direction on which entities are responsible for the various functions and that there is accountability for those functions. In the case of Fayetteville, regionalism is also a critical factor related to the activities of the Northwest Arkansas Council. Economic development does not result from the efforts or actions of any single person, organization or institution, but rather through collective energies of multiple entities working together in partnerships toward consistent and mutually acknowledged objectives.

In the benchmark locations reviewed as part of this process, which included Asheville, North Carolina; Boulder, Colorado; Chapel Hill, North Carolina; Fort Collins, Colorado; and Lawrence, Kansas; most of the city economic development departments, except one, Chapel Hill, have at least one dedicated staff member providing economic development services with the majority having two or three, and one, Asheville, having nine staff, many of which are focused specifically on economic development issues.



CURRENT STRUCTURE

- Economic development services in the City of Fayetteville are currently managed at the city level. The Development Services Department, which is the city's planning arm, manages the contract for economic development services. The Fayetteville Chamber of Commerce was contracted for business recruitment and retention services beginning in 2009 at a cost of \$165,000 per year.
- The Office of Sustainability was created in 2007 to partner with city divisions to promote and incorporate ecological practices into city projects and planning.⁶¹
- The Fayetteville Visitor's Bureau promotes tourism in Fayetteville. The Fayetteville Advertising and Promotion Commission was created in 1977 with the passage of the Hotel/Motel/Restaurant Tax in the city, which it administers today.⁶²

- The Northwest Arkansas Council is a private, non-profit organization that undertakes regional issues important to the growth of the regional economy. The Council is the regional economic development organization lead. Those economic development leads appropriate for Fayetteville are directed to the Chamber for follow-up and response. As previously referenced, the City of Fayetteville contracts with the Chamber for business recruitment and retention services. The Council also provides funding assistance to the Chamber to support existing industry.



GENERAL OBSERVATIONS OF CURRENT ECONOMIC DEVELOPMENT DELIVERY SYSTEM

- Accountability is more important than ever in the economic development arena in order for organizations to create the environment of trust and respect that is critical to fulfilling their leadership role. Specific, realistic, and quantifiable metrics, such as increases in jobs, investment, and average wages, should be put in place related to Fayetteville's economic development efforts to measure success of business recruitment and expansion activities. These metrics will focus on results, rather than process, and provide a true barometer of performance.
- Entrepreneurship and innovation present a significant opportunity for Fayetteville. There is not currently an organized economic development effort focused on this area, and this must be addressed by working with all of the parties currently involved in this area in Fayetteville.
- Arts and culture is another area that needs focus in Fayetteville.
- There is a need for at least one economic development position at the city that coordinates for all services.
- There may also eventually need to be a position at the city that focuses on entrepreneurship/innovation.



ECONOMIC DEVELOPMENT DELIVERY SYSTEM RECOMMENDATION

Three functions of an economic development program are recommended moving forward:

1. Business Recruitment Services
2. Business Retention & Expansion (BRE) Services
3. Entrepreneurial/Startup Support Services

Business recruitment and BRE services are two of the most critical components of economic development today and entrepreneurial/startup support services is a growing area of focus of an economic development program, and a significant opportunity for Fayetteville as previously noted.

Responsibilities for each of these functions would need to be clearly defined. The city must ensure that each of these functions are properly addressed and that performance metrics are put in place to measure effectiveness of delivery of each role. Based on this, there should be two delivery system options:

1. The city can issue an RFP(s) to contract out these three services to one or more entities.
2. If the city does not get adequate or strength of responses in one or more of these areas, create a comprehensive economic development program at the City of Fayetteville to address these services.

Regardless of the delivery system option put in place, there should be at least one new position created at the city that may be called the Director of Economic Vitality that coordinates all services, giving specific attention to entrepreneurship/innovation, and there may eventually need to be another new position at the city that focuses specifically on entrepreneurship/innovation that may be called the Director of Innovation.

Specific performance metrics will be developed related to each of the three services and delivered separately from this document.



END NOTES

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